Guides Mining Men

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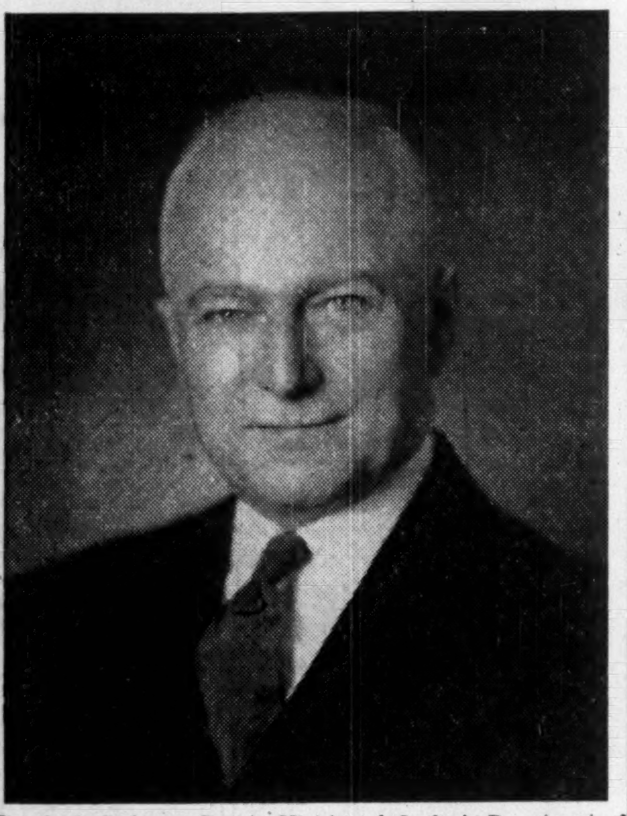


Dr. A. O. Dufresne, Deputy Minister of Quebec's Department of Mines, is president-elect of the Canadian Institute of Mining and Metallurgy, which holds its annual convention in Toronto next week. Identified with mining for more than 40 years, Dr. Dufresne has lectured on mining subjects at Laval University, holds the honorary degree of Doctor of Applied Science from University of Montreal.

THE NATION'S BUSINESS

'Take It Or Leave It' Won't Build UK Sales

British sellers in the important dollar-earning textile industry have told Canadian buyers they'll stop doing business in the Canadian market if the Canadians don't stop complaining about the quality of goods offered and "desist from wholesale returns of goods as unusable."

That is the astonishing situation that has developed between British woolen and worsted mills and Canadian clothing manufacturers as described elsewhere on this page.

What brings about this attitude of the British that's variously described by the Canadian industry as "contemptuous," "arrogant," "blackmailing"?

This: The British can sell their entire output anytime at attractive prices to a sterling world hungry for their woolens and worsteds and, for the most part, willing to accept standards far inferior to those acceptable in North America.

At the same time, Canadian suit makers eagerly want British goods. The fact that Canadian wages are 2-3 times their own gives the British a price advantage, and the Canadian industry is not currently adequate to meet demand.

About 55% of Canadian woolen and worsted supply now comes from Britain.

Indicative of the tension in this situation is the plea of one Canadian textile user to a Financial Post reporter: "But don't use my firm's name. If the British know I talked, they'll cut off our supply altogether."

Another big Canadian user reported that out of a recent shipment of 50 pieces of tropical worsted, he had to send back 42 pieces.

This large manufacturer obviously finds his business seriously disrupted by the British failure to deliver good merchandise.

The Canadian importers are angry and helpless. The consumer is also caught. If British supplies were right, he could get clothes cheaper. His chances certainly aren't good so long as clothing firms here have to meet losses because of unacceptable shipments.

This British indifference to the Canadian market is serious in more ways than one. The Canadians will long remember what they call "this squeeze-play," and one of these days in the not-distant-future, the British are going to be awfully anxious to sell in this market.

This situation also points to one serious failure in British public policy: The government has failed to make the interest of the individual the same as the interest of the nation as a whole.

The Britons are daily exhorted to export for dollars; "We must export or die." "We must bridge the dollar gap." Elaborate schemes and imposing boards are probing for new and enlarged export opportunities in the dollar world.

Yet, here in this cloth situation, we see that from the point of view of the individual manufacturer, exporting for dollars is troublesome and exporting for sterling is easy and profitable. That same situation of the individual interest being just the reverse of the public interest prevails in many, many lives.

How the British are going to get out of their troubles so long as this sort of thing goes on, we can't see.

• • •

How Good Is Our Airline?

Remembering the heavy losses of their government-owned railway system, Canadian taxpayers naturally feel apprehensive about the financial future of their national airline, TCA. But a comprehensive examination on page 15 of this issue is reassuring.

True, after 13 years of government operation TCA is still in the red with a deficit of slightly over $4.3 millions last year. But barring a depression and with firm and constant pressure against unnecessary political interference there is reason for believing that losses will be eliminated. That, at any rate, is what the taxpayer will expect and that should be a major objective of those responsible for operating and developing our national airlines.

Unlike a railroad, an airline is much more elastic in meeting fluctuating revenue. There is not the enormous fixed cost tied up in developing and maintaining a right of way. Transport units are much smaller and less costly. Like buses, airplanes can be diverted from one route to another to take care of seasonal changes in traffic volume. TCA has done this by switching carriers from the North Atlantic during the slack winter months to the new and promising southern routes.

Actually present deficits are not as great as they might seem. If it adopted a less conservative fiscal policy, TCA might claim to be breaking almost even. Operating revenue is well ahead of expenses but write off for obsolescence is wisely very high. Some airlines depreciate their aircraft on a 10 years basis. TCA writes off most of its first-line in seven years, its smaller craft in four.

That does not mean that these machines are worn out at the end of seven or four years — constant overhaul and repairs keep them as good as new.

And there is another vital factor to be taken into consideration in determining what TCA is costing the taxpayer. For use of national airfields, navigational aids and other equipment, services which Ottawa would have to provide in any case, TCA pays into the National Treasury a substantial sum each year, almost the equal of its current deficit.

Finally there is the defense angle.

In TCA, Canada has a powerful armament which can be converted to war purposes in a matter of minutes. Without it, our defense bills would have to be much larger than they are.

All in all, it looks as if Canadians have reason for pretty solid satisfaction with their airline's progress to date.

Auto Makers Worried By Small Car Invasion

Phenomenal Shipments in January, February Bringing Renewed Pressure For Anti-Dump Legislation to Protect Canadian Industry

By RONALD WILLIAMS

To the Canadian automobile industry, the invasion of the domestic market by the small British car is no longer a matter of indifference.

At first, the trade generally tended to airily dismiss the United Kingdom's bid for a place on Canadian roads. This week the smile was gone and the industry was rapidly moving to a position of active resistance to the steadily deepening inroads being made by the smaller, cheaper English cars.

Phenomenal shipments to Canada in January and February are hastening the shift. A deputation of auto manufacturers went to Ottawa with January import figures to ask for some relief. Now that February figures are in and show an even greater inflow, renewed pressure is expected to be applied on the government for a review of anti-dump legislation.

Trade returns compiled this week show 6,649 British passenger cars and 387 trucks imported in February. This is 100% above the previous record monthly average set in the last quarter of 1949.

More significant, it represents one quarter of all cars going into the Canadian domestic market in February. Factory shipments from Canadian plants in that month were 22,459, of which 21,006 were for domestic sale, the rest for export.

January imports were almost as high: 5,749 or a whopping 80% above the previous quarter's monthly average.

No movement like this invasion of U. K. cars has been experienced in Canada before. In 1938, for example, total U. K. shipments were only 411. Even a year ago February, they were only 586 for the month.

At January and February's phenomenal rate, some 60,000 U. K. cars will be shipped into Canada this year. That would be about 22% of the total estimated market.

Even the most optimistic U. K. manufacturer doesn't expect this, but most are confident that they

(Continued on page 3, col. 1)

Here's Look At Labor's Hot Spots Across Canada

By yielding on its $100 a month pension demand at Ford, CIO Auto Workers Union may have paved the way for quick settlement at Chrysler and General Motors and perhaps cleared the biggest roadblock to industrial peace in 1950.

Until Ford workers voted overwhelmingly to accept the company's offer on Tuesday, the management-labor road hadn't looked quite as rough since strike-rutted 1946. Now it seems a good bit smoother but it is still far from settled.

Still hanging fire are a dozen or more disputes involving around 350,000 workers. To give unions all they are asking for would add a whopping $250 millions to Canada's annual wage bill.

Six of the main disputes are in key industries: automobiles, transportation, steel, pulp and paper, construction and base metals.

A strike in any could put a nasty crimp in the economy; stoppage on the railways or in steel could cripple, temporarily.

The country's industrial tempo, although still on the upbeat, is showing signs of slowing down as production begins to catch up with demand.

In the face of this levelling out, employers are showing more resistance to excessive union demands than at any time since the end of the war. On the other hand, many segments of labor are pushing harder than ever.

Here's a nation-wide look at the main disputes:

In Windsor, 11th-hour negotiations averted a strike of 11,000 at Ford scheduled for Wednesday. The union backed away down on its $100-a-month pension demand, accepted the company's original offer of $55 plus some minor improvements on eligibility. On the other hand, Ford upped the ante substantially on other social welfare items. Company will now pay the whole shot for life insurance and benefits are increased from $2,500-$3,000. Similar improvements were conceded on just about all other social items. The company also agreed to one or two important concessions on noneconomic contract matters.

Also in Windsor, Chrysler and the UAW appeared up against a stone wall over virtually the same demands. However, there was not the same urgency at Chrysler because the strike against the parent United States firm had just about brought Canadian operations to a standstill. The Ford settlement brightens hopes for a speedy and amicable agreement here.

In Oshawa, the Auto Workers were getting set to toss the book at General Motors. The defeat they suffered in last fall's abortive and illegal strike, still rankled. Last week, the union said it would ask for: $100-a-month pensions; reduction in work week from 44 hours to 40 without any loss in take-home pay; three more paid holidays; 5c wage increase for some of firm's 6,000 employees; a $3,500 company-paid life insurance policy for all. Under the contract, talks for renewal could not begin until April 11. Present agreement expires June 11.

In Hamilton, Steel Co. of Canada and CIO Steelworkers, had taken their dispute to Con-

(Continued on page 3, col. 4)

All That Glitters is Not Gold

A Look Over Some of the Come-On Literature

There are loud wails of woe over the Post Office action in closing the mails to about a dozen Toronto stock promotion houses.

Let's take a look at some of the sales promotion literature which has been emanating from certain parts of Toronto's financial community.

On one Porcupine gold prospect, the promoters report five assays giving values all the way from $11.90 to $478.10 a ton.

That sounds wonderful and the promoters add that these assays "indicate the presence of a body of high-grade ore which might put this property into a class by itself, in the greatest gold-bearing camp in North America."

Which, of course, is indeed a "might."

But here's the catch. The Ontario Department of Mines reports: "Each sample consists of one small piece of quartz."

On this basis, hardly any gold prospect in Northern Canada could miss out on a body of "high-grade ore."

Reputable engineers do not consider an ore body really "indicated" until lengths, widths and values have been demonstrated by surface channel sampling and diamond drilling. There has been some drilling on this property; but that is not what these stock selling representations are being made on.

Here's another sample:

A device used several times recently to whip up enthusiasm for an issue is to distort facts about the general economic position.

Take this case of misrepresentation with respect to plans of Interprovincial Pipe Line Co., a company which recently indicated that it would consider an expansion of 40% in its projected capacity.

Here is how the situation was described by one dealer.

"The pace of development has brought about an increase of 50% in the projected capacity of the Interprovincial Pipe Line before a barrel of oil has been transported by it, Dr. Hopkins, president of the pipeline company, announced the increase two weeks ago, and, since that date, a still further increase in capacity has already been the subject of consideration."

This "pyramiding" of possibilities was apparently designed to whip along stock in a recently reorganized oil company.

Another sample:

A broker-dealer last month offered shares in a Kirkland Lake gold prospect company "which appears to have all the features necessary for the occurrence of an ore body." Because, he explained, his own allotment of shares at the special price of 50 cents was limited, only 2,000 shares could be allowed to each customer at this special price. A beautiful "offer to purchase" order form on bond paper was provided.

On the same day as the offering date of the letter, these same shares were being traded on the Toronto unlisted market, 28 bid, 30 asked.

Canada's great B. C. forest industries were involved in another "special offer." This dealer states the company has an authorized capital of 1,500 preferred shares (15 shares issued) and a million common shares.

"A very large operation requires comparatively modest capitalization," the promotion declares. "For that reason only 100,000 shares are being issued, the directors taking up part and I,

(Continued on page 3, col. 5)

Feb. Imports From Japan Hit $841,000

OTTAWA (Staff) — New February import statistics reveal $841,000 of imports from Japan, of which $165,000 was in items like shirts, handkerchiefs, cotton clothing, etc.

The figures for these textile imports are in poundage which makes it hard to estimate just how many dozen shirts, dresses, aprons, etc., came into Canada in the explosive "one-shot" ship-out of the so-called kodan stocks (merchandise produced under special conditions to get the Japs back to work and not intended for export).

The new trade returns show 263,197 pounds of cotton shirts imported into Canada from Japan at a value of $112,000, or an average price of 42c. lb. There were 12,000 lb. of Jap handkerchiefs, value $13,189, and 69,251 lb. of "other cotton clothing" valued at $39,360.

A deputation from the shirt and pyjama institute is to interview Prime Minister St. Laurent and the Cabinet after the Easter recess on the question of Jap competition, it is understood.

Meanwhile the argument here is that action has already been taken to put a stiff dump duty against imports of the so-called kodan stocks. It is believed that there will be no repetition of this kind of dumping.

That doesn't say that Jap goods aren't going to be a continual problem and headache. But it's not expected that future competition will be as tough as that afforded by these specially subsidized items.

PRICES

British worsted cloths have risen, as part of up trend in wool. Benefits of devaluation are now wiped out.

Tea prices have risen, may move higher. One large Canadian firm has raised its brands an average of 4c lb., bringing one to $1.15 lb., said an all-time high. Other firms are expected to follow. Devaluation delayed world supply, demand conditions. Costs are up in production areas, which have not recovered from war damage. World demand is heavy. Britain, a big market, upped its tea ration. Canadian prices might be affected in degree by high coffee prices, but many dealers think not.

Chain brand coffees were raised 2c lb. by two Canadian firms, following recent hike of 3c to 5c in national brands. Price pressure has been upward because of Brazilian conditions, but several large U. S. coffee firms have just cut vacuum packed coffee 2c lb. One said cut was in spite of green coffee prices, warned coffee countries prices must come down to keep market. Heavy consumer resistance in U. S.

Beef prices may go higher still with continuing strong U. S. demand, says the federal agriculture department. Choice cuts might become very scarce as well as high priced. General situation will likely continue till grass-fed cattle come on market around midsummer.

Coal prices in east and mid-west U. S. begin to weaken. Caught between buyer resistance to post-strike price hikes and competition of substitute fuels, some mines are cutting operations. Cost increases from settlement with union estimated at 15c to 40c ton.

Provinces to Get Right To Nominate 16 Senators?

OTTAWA (Staff) — Like springtime, that hardy perennial, Senate reform is in the air.

This year there is a new buoyancy to reform talk — for two reasons:

1. Hon. Wishart Robertson, government leader in the Senate, is an ardent reform advocate;

2. Behind him now is Prime Minister St. Laurent, who is more than likely to take steps in this direction once he has gone a little farther toward proposed constitutional reforms and Dominion-Provincial settlements.

The newest and most interesting reform notion is the proposal, now under review here, that 16 Senate seats be permanently set aside for provincial nomination on a short-term basis.

This would mean creating a new type of senator — a senator who would hold office for only a short period of time — say four or five years.

Nominations for these posts would be in the hands of the individual provincial governments of the day. Any one senator could be re-nominated for a second or third term if his government were still in office and if he had proved himself a useful representative. There would be four such nominees from both Ontario and Quebec; one from each of the other provinces.

The thought behind this proposal is that it would ensure at all times that every shade of political thought as represented by provincial administration would be represented in the Senate. Under today's conditions, there would be four Conservatives from Ontario; four of Premier Duplessis' nominees from Quebec; a Social Credit senator from Alberta and a CCF'er from Saskatchewan, etc.

The limited term, it is felt, would prove a definite incentive to active work and participation — an incentive that is often lacking once an appointee gets this comfortable assignment "for life."

Linked with this new approach to reform is the hoary matter of age limit.

Pensions for MP's?

One viewpoint strongly held here is that there's no use attempting to reform the Senate unless or until the Government first provides some type of pension or old-age provision for veteran parliamentarians.

It is argued that past history shows clearly the present importance of the Senate as a political reward for faithful service in Parliament or in the Cabinet.

But if the reward is to be short-lived and cut off at 75, then it loses much lustre.

This implies there should be a pension for senators who would be cut off from the Red Chamber at age 75. But nothing like this could be proposed without immediate demand for pensions for veteran MP's.

That's one reason for believing that once the present thorny problem of old-age pensions for all Canadians is settled, there will be an easier road ahead for Senate age-limit reform.

This matter may be raised during the Dominion-Provincial discussions later this year, as one of the matters which will become more clearly defined once other more pressing constitutional matters are resolved.

Post Insurance Contest Wins Wide Acclaim From Industry

Full backing and enthusiastic endorsement for The Financial Post's life insurance contest (announced April 1 and closing April 30) is pouring into The Post's offices from top Canadian insurance executives.

Major companies are urging their men to participate; have congratulated The Post on a major public service in promoting the contest.

Open to all duly licensed life underwriters, the contest is sponsored as a means of showing how life insurance can meet financial problems in various family situations.

All the contestant has to do is write in 2,000 words or less the story of what he considers to be his best presentation. The 20 best will be published in The Post. Full notes appeared in The Post, April 1.

Here's how the contest has been endorsed by major companies:

"We congratulate you most sincerely on this splendid initiative . . ."

"We commend you most highly on this series . . ."

"Of great value to our industry . . ."

"There is a great deal of enthusiasm for your contest . . . many of our leading underwriters will be anxious to participate . . ."

"We shall give every encouragement to our men to participate . . ."

"Your purpose is a constructive one . . ."

"Your publication has always been very enterprising . . . this is further evidence of it . . ."

"I . . commend you on your enterprise in promoting sound public service, manifested by the life insurance contest . . ."

The contest closes April 30.

British Complain We're Too Critical

Wool and Worsted Men Threaten to Leave Canadian Market—Suit Makers Here Say U.K. Standards Too Low, Deliveries Still Slow

By CYRIL BASSETT

Major British textile producers are back on the "take-it-or-leave-it" stand in their dealings with the Canadian market, The Post learned this week.

Many of the British mills, leading members of the Canadian clothing manufacturers told The Post,, are threatening to withdraw entirely from the Canadian market unless:

1. Canadians stop the flood of "frivolous complaints" they are making about present-day qualities of British materials;

2. Desist from "wholesale returns of perfectly merchantable materials which Canadian examiners have arbitrarily declared unusuable."

Major Canadian clothing men—speaking for their trade association, Associated Clothing Manufacturers Inc.—complained specifically to The Post that:

1. Long-established British suppliers are sending an increasing volume of totally unacceptable merchandise—goods which the suppliers themselves had, prewar, regarded as seconds.

2. This large percentage of rejects (an average of 15% in one case; 6% in another as against a prewar average of 1% to 2%) plus a continuing uncertainty as to delivery dates which are rarely kept and prices which continue upward, is disrupting production lines, playing havoc with merchandising plans, piling up consumer resistance.

3. The British suppliers with whom they have long done business, with few exceptions, have adopted an "arrogant, high-handed, unyielding" attitude and in some cases have refused to accept returns on the grounds that faults arise through mishandling at the Canadian end.

This situation — which can only be described as astonishing when it is put alongside Britain's over-all need for dollars and her longtime preferred position in the Canadian textile market — has been coming to a boil for several months.

"British worsteds in all grades," one major importer told The Post, "were never worse in quality, never so full of flaws as now and our suppliers were never more arrogant — in some cases utterly contemptuous — in face of our complaints than they are today."

What Can Canadians Do?

And there's little the Canadians can do about it for the present. The British mills, they complain, just have them by the tail and they fully recognize the fact. For Canadian clothing factories, on the average, are dependent on British supplies — which cannot at present be replaced elsewhere — for fully 55% of their needs in materials, in some cases as much as 75%.

For the British mills, the Canadian market means little. Out of their combined production year, only one week's work is needed to fill the entire Canadian demand — about 10 days for the entire North American market. Moreover, they can sell in other markets for higher profits and as one British spokesman put it "with none of the grief that's peculiar to the highly selective North American market."

The Canadian clothing men are therefore taking the British warning to "stop squawking" seriously. At least one to whom The Post talked is plain scared. He opened up his company's files only on the understanding that he would remain completely anonymous.

"If my company's name should appear as a complainer in this," he told me, "I know I will suffer reprisals. Mills that have been

(Continued on page 7, col. 1)

Inside News

Your Income Tax
Of special value to farmers and those with farming as a hobby will be this week's article in The Post series, Your Income Tax (p. 20).

Why TCA Is In Red
How good is the taxpayers' airline, TCA? What's the score on the record $4.3 million deficit chalked up on last year's operations? What's needed to let the airline show a profit? (p. 15).

Those Forest Fires
Will Canadians ever be cured as forest arsonists? What lessons can be learned from Scandinavian experience in forest fire prevention? Special report from Sweden (p. 15).

Next UK Election
Speculation on issues in Britain's next general election, a reshuffle in the present Socialist Cabinet still hold the spotlight in public discussion in Britain. Adelphi discusses the situation. London Calling (p. 17).

$1,000 Million Strike
What does a major strike cost to labor, the employer, his suppliers, the community, everybody it touches? Here's a breakdown of where $1,000 million loss in the Chrysler strike went. Labor Roundup (p. 10).

	Page
Advertising	2
Banking News	17
Industrial Growth	11
Insurance News	23
Labor Roundup	10
Mine Development	26, 27
Provincial Roundup	16
What's New	13
You Asked Us	21

Changes Likely In Depreciation Tax Allowances

OTTAWA (Staff) — Important changes are likely to be made in the present income-tax depreciation allowance regulations. But not for at least another month.

The Government has listened with a very sympathetic ear to pre-budget complaints against these regulations.

The probable changes, once the Government gets round to considering them, would fall into two groups.

Chief objection has been raised to regulation 1100 (4) which, it is claimed is quite inconsistent with proper accounting practice. This section says the depreciation allowed for tax purposes shall not exceed that shown in published profit and loss statements to shareholders.

The other types of objection have to do largely with rates and similar matters.

Pace of Business

Department store sales for week ending April 1 off 2% from same week a year ago. All provinces contributed except Alberta, up 4%, and Saskatchewan, up 1%; Maritimes remained unchanged.

Sales of radio receiving sets in 1949 jumped to 728,680 units, valued at $55,3[illegible]3,941 — 22% above 1948's 596,467 units valued at $49,351,338.

Meat production in 1949, plus estimated meat equivalent of animals exported alive, was 2,131 million lb., off 5% from 2,235 millions in 1948. Exports of meat fell to 205,669,000 lb., from 418,313,000 in 1948, biggest drop being in pork, which fell from 229,496,000 lb. to 76,060,000.

Pig iron and steel production in January higher. Pig iron rose to 190,432 net tons from 172,002 in December and 183,074 in January, 1949. Steel ingots and castings to 289,949 net tons from 263,949 in December and 284,707 a year ago.

Supplies of Canadian wheat available for export and carry-over amounted to 198.2 million bu. on March 1, down 19.9 million bu. from 1949's corresponding total of 218 millions. Exports of wheat and wheat flour from August to February increased to 131.6 million bu., from 116.6 millions the previous year.

Gold production in January totaled 354,773 fine oz., down from December, 1949's 373,091 (the high for recent years), but above 309,810 in January, 1949.

Carloadings totaled 72,810 cars for the week ended April 1, off 9% from the same week in 1949. First quarter down 5.3% from a year ago.

Claims for unemployment insurance benefits in February totaled 125,511, down sharply from January's 196,624 but up from February, 1949's 108,759.

Urban cost-of-living index hit a postwar peak of 163.7 at March 1, up 2.1 points from Feb. 1 and .9 points from the previous August 1, 1949, high. Group indices for rents, fuel and light hit new highs, while foods, clothing and home furnishings were off from 1949 postwar peaks.

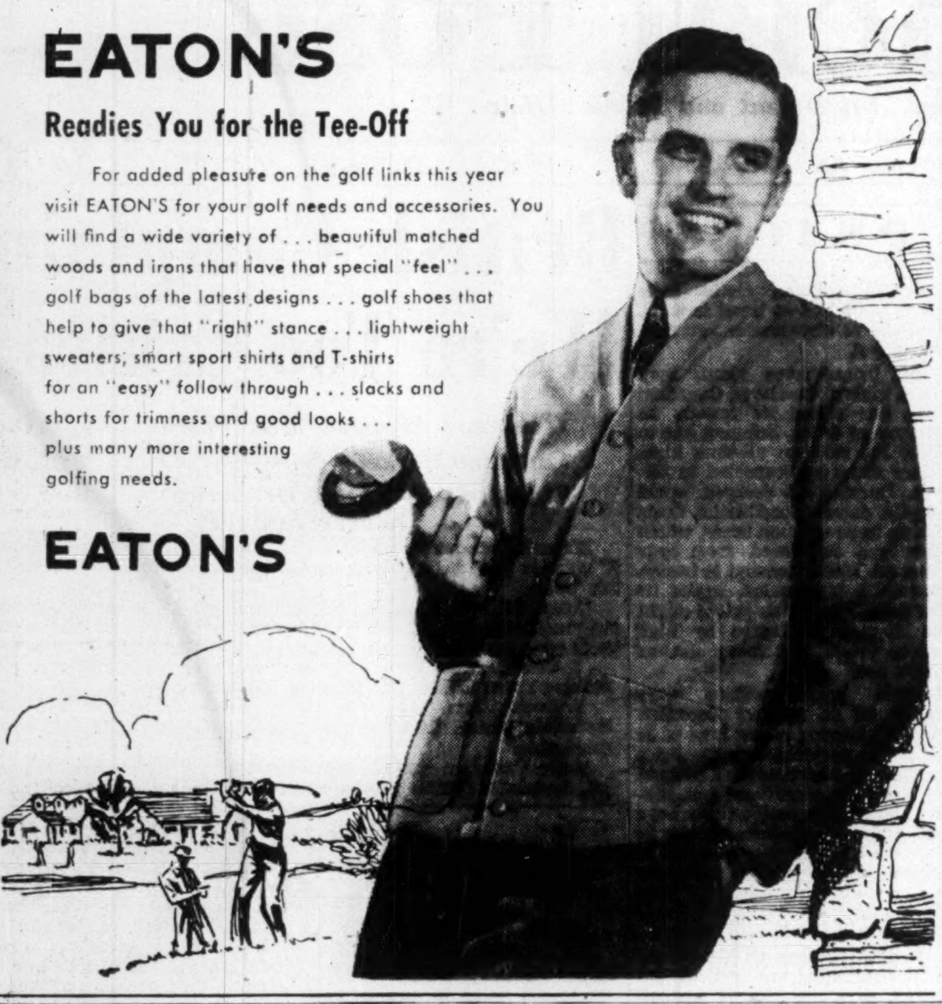
Commodity trade balance showed credit balance of $1.4 millions in February, down from January's $11.8 millions — similar to last year's trend. Import balance with the U. S. continued to fall, reaching $13 millions from $40.6 millions in February, 1949, U. K. credit balance down at $5.3 millions, from $21.4 millions a year earlier.

EATON'S

Readies You for the Tee-Off

For added pleasure on the golf links this year visit EATON'S for your golf needs and accessories. You will find a wide variety of . . . beautiful matched woods and irons that have that special "feel" . . . golf bags of the latest designs . . . golf shoes that help to give that "right" stance . . . lightweight sweaters, smart sport shirts and T-shirts for an "easy" follow through . . . slacks and shorts for trimness and good looks . . . plus many more interesting golfing needs.

EATON'S



CGE Launches Big Program To Modernize Industry

In Montreal next week, Canadian General Electric will flick the switch to start an elaborate and extensive program of education and promotion aimed at stepping up modernization and electrification of Canadian industry.

It is part of a long-range "More Power To America" program started by General Electric in the United States.

The goal: to raise or keep the electrical industry operating at record levels and at the same time, by modernization and electrification, to raise efficiency by lowering production costs. More jobs would be created, the standard of living raised by lowering prices.

The program, believed by CGE to be the most comprehensive creative selling effort of its kind ever undertaken in Canada, was conceived and is being financed by GE in the U. S. and its counterpart in Canada.

Now CGE is seeking the active participation of other industries which would be directly affected by industrial electrification and modernization: power utilities (greater demand for power), machinery manufacturers (new, more efficient equipment), and contractors (new plants).

Aim At 16 Industries

Introductory conferences to lay the groundwork for this co-operative effort are scheduled coast-to-coast between now and the end of May. Next week's meeting in Montreal will be the first. It will be with Quebec power company officials. Top executives of CGE including President H. M. Turner will outline the "More Power" program and explain how the utilities fit into it now that power surpluses are again in sight.

Then 16 specific industry or product fields will be examined. All have already been carefully studied and are ready for co-operation. Special film manuals have been prepared, pointing out the advantages of greater electrification. Packaged kits provide easy-to-read reference material on the latest developments in each field. Also available are colored motion pictures, film strips, product displays and charts.

The 16 include:

Farming; materials handling, electric arc welding, oil field electrification, infra-red lamps, resistance welding, industrial heating, urban transportation, electronic induction heating, textile mill modernization, industrial heating, farm water systems, farm welding, barn hay curing, laundry electrification, sewage treatment.

The immediate target is to set in motion four of these separate programs: textile mill modernization, industrial heating, electrified farming and electrification of oil field operations.

The Montreal conference will be followed by meetings in Toronto April 24; Winnipeg, April 24; Ottawa, May 1; Vancouver, May 1; Halifax, May 15; Calgary, May 15.

How Ottawa Will Study Pensions

OTTAWA (Staff) — Plans are shaping up here for the big Parliamentary study of old-age pensions and industrial security matters.

The joint committee is due to reconvene on Tuesday, April 18.

First task will be to take a long deep look at the arrangements we now have in Canada and also at similar schemes in Britain, United States, Australia, New Zealand, Sweden and France.

It is believed that it will take at least two weeks to study the factual picture. The study will be based in the first instance on a very detailed report now being prepared and which will be available to the committee in advance. It is expected the commitee will want government and other experts to interpret the figures and facts.

The factual material on Canada will be presented in the first instance by Dr. George Davidson, Deputy Minister of Welfare.

At least another week will be taken up with analysis of what other countries are doing. Here again extensive factual studies have been prepared, bringing these various plans into focus in terms of Canadian dollars.

The next major step in the committee's deliberations will be the reading and hearing of briefs from outside organizations and interested bodies.

It is now planned that the committee will throw open to examination any groups or individuals who are able to deposit briefs with the committee prior to April 30.

1.00 to 2.50

New Spring Neckwear from Simpson's the store for men

STREET FLOOR, DEPT. 251

Imported by C. KANELLAKOS & CO. LIMITED MONTREAL

Present that special client with a box of "La Simbombo". Keep a few cigars in your office for your friends and visitors.

	Wholesale price:	Retail at:
Diamantes	box of 50 $22.00	60 cents
Selecciones	box of 50 $15.75	42 cents
Selecciones	box of 25 $ 8.50	42 cents

If your cigar store does not carry La Simbombo, order a box from our office, at wholesale prices.

SALESMAN WANTED

To sell to retailers a very complete line of Rayon and Nylon Tricot—Panties, Slips, Nighties & Pyjamas. Liberal commission.

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SUMMER *in Victoria*

LUXURIOUSLY APPOINTED HOUSE available for 6 months or longer about 1st July. Large living room dining room, den, 4 bedrooms, 2 modern bathrooms, powder room, modern kitchen, etc. Excellent district, convenient to transportation. Large garden. Beautifully furnished for luxury living.

THE ROYAL TRUST COMPANY *Victoria, B.C.*

Form New Wood Research Body

Eastern forest industries are forming a new society—Canadian Institute of Forest Products—to promote research in wood-using industries.

Headed by a professor—J. W. B. Sisam, dean of forestry at University of Toronto—the institute will be concerned mainly with studies in sawmilling, timber construction, plywood and veneers, furniture and other secondary wood industries, fibre and insulating board, wood preservation, utilization of wood waste, chemical products from wood. CIFP says it won't duplicate research effort of trade and forestry associations, Canadian Pulp & Paper Association's woodlands and technical sections; that it will be primarily concerned with technical development in industrial groups other than pulp and paper.

First general meeting is scheduled for October in Ottawa where papers will deal mainly with the economic significance of sawmilling, plywood, veneers, fibre board, furniture and the rest. Tentatively proposed is a group visit to federal forest products laboratories and to Ottawa area industrial plants making paper, plywood, fibre wood and chemicals from wood waste.

Serving on the executive committee under Dean Sisam are T. A. McElhanney, Grimsby, Ont., and A. D. Macpherson, Montreal (vice-presidents), Lorne Brown and A. R. Coleman, Montreal, W. J. LeClair, Ottawa, J. I Risi, Quebec City, K. O. Roos, Tee Lake, Que., and H. E. Videto, Fredericton. Secretary is W. Forbes LeClair, 27 Goulbourn Ave., Ottawa, headquarters of Canadian Lumbermen's Association.

ANNOUNCING

Important Appointments in Canadian Industry, Finance, Business and Government

American Water Works Assn. — Albert E. Berry, (Toronto) a vice-president: Ronald Harrison (Scarborough township), chairman, Canadian section.

Associated Broadcasting Co. Ltd. (Toronto) — Clarence M. Smith, manager, communications division (new); S. James Allin, director of sales.

Atlas Construction Co. (Westmount, Que.) — Lt.-Col. Arthur J. Leblanc, a director.

B. C. Warehousemen's Association (Vancouver) — G. W. Anderton, president; W. E. Martin, vice-president.

Belmont Construction Co. (Montreal) — Lt.-Col. Arthur J. Leblanc, a director.

Compagnie France Film (Montreal) — Henri Clement (Quebec), Paul-Henri Guimont, directors.

Foundation Maritime Ltd. (Halifax) — Arthur G. Sullivan, general manager.

W. J. Gage & Co. (Toronto)—E. A. Blanchard, a director.

Hollinger Consolidated Gold Mines Ltd. (Timmins, Ont.)—Leslie S. Weldon, executive engineer.

International Harvester Co. of Canada (Hamilton)—Alex Strachan, manager, Montreal Motor Truck Branch; Edward L. Trenholme, assistant district manager; R. E. Warren, retail sales manager, Montreal Motor Truck district office.

James R. Kearney Corp. of Canada (Guelph, Ont.) — Walter A. Heinrich, president; George C. Foster, vice-president; George W. Hartke, general manager; W. M. Gifford, executive vice-president.

John Labatt Ltd. (London, Ont.)—Alex S. Graydon, executive assistant to the vice-president and general manager; J. B. Cronyn, production manager.

Manitoba Power Commission (Winnipeg) — W. R. Corner, comptroller.

Morrison Steel & Wire Co. Ltd. (Vancouver)—S. J. Hammitt, president and managing director.

National Steel Car Corp. (Hamilton)—B. B. Osler (Toronto), a director.

New Brunswick Telephone Co. (Fredericton) — George W. Green, commercial superintendent; J. F. Stilwell, manager, Saint John commercial office; C. E. Gibbon, manager, Moncton office (new arrangement).

Nova Scotia Savings Loan & Bldg. Society (Halifax)—Ross Guy, assistant manager.

Parkes, McVittie & Shaw Ltd. (Toronto) — Russel T. Walker, director and production manager.

Spruce Falls Power & Paper Co. (Toronto) — J. D. Hofman, acting purchasing agent.

Stevenson & Kellogg, Ltd. (Montreal)—J. E. F. Jones, vice-president, eastern division, Montreal; F. R. Manuel, vice-president, central division, Toronto; N. O. Paquette, vice-president, western division, Vancouver.

Stanley Brock Ltd. (Winnipeg)—W. H. Busby, a vice-president; C. W. H. Routley, treasurer.

Sun Life Assurance Co. of Canada (Montreal) — E. R. Alexander, treasurer.

Toronto General Trusts Corp. (Toronto)—S. P. Gemmill, manager at Regina.

Westeel Products Ltd. (Winnipeg)—J. Herbert Riley, a director.

Retirements

New Brunswick Telephone Co. Ltd.—F. J. Nisbet, assistant general commercial manager.

Saskatchewan Gov't — Thomas Lax, deputy provincial treasurer.

Spruce Falls Power & Paper Co.—J. Victor Kinsman, purchasing agent.

Sun Life Assurance Co. of Canada—H. P. Thornhill, vice-president and treasurer.

Obituaries

David C. Beebe, 54, Englewood, N.J., president, Canadian Aviation Insurance Managers, Ltd., Montreal.

Senator A. T. Leger, 69, Moncton, director, Moncton Broadcasting Co. Ltd.

Alexander Earle Livingston, 68, Kitchener, executive with Dominion Linseed Oil Co. Ltd,

Howard S. Porter, Ottawa, retired managing director, Henry Birks & Sons, Ltd.

ADVERTISING

Account Appointments, Plans And News of Personnel in the Canadian Advertising World

McConnell, Eastman & Co. (Montreal) appointed by Trafalgar Mills Ltd., South Nelson, N.B., developers of new Canadian building material, "Plaswood." Full pages, some in color, will appear in trade press, including furniture and lumber trade magazines. Newspaper consumer campaigns will support newly-appointed dealers.

* * *

Ronalds Advertising Agency Ltd. prompted the decision of National Advertising Agency Network to hold its annual convention outside the U. S. for the first time. NAAN's 18th national convention will be held this year at the Seigniory Club in Montebello, Que., June 1-4, with the Ronalds organization as host agency and Howard Swink, president of the Howard Swink Advertising Agency of Marion, O., as general convention chairman.

* * *

Walsh Advertising Co. appoints Roger Irwin full-time representative at Ottawa. With company since he left RCAF in 1945, Mr. Irwin has held international advertising and public relations posts.

* * *

O'Brien Advertising Ltd. (Vancouver) directs campaign in two widely-separated markets — British Columbia and Maritimes —for Alberta Meat Co. of Vancouver. Selected list of radio stations and newspapers carry copy aimed at brand identification for client's Puritan canned meats and sandwich spreads.

* * *

Erwin, Wasey of Canada Ltd. appoints Edward H. Margesson to be art director and production manager in its Toronto office.

* * *

Principal Canadian guest speaker at the National Industrial Advertisers Association's convention in Los Angeles, June 28-July 1, will be Col. O. H. Barrett, assistant to the president, Goodyear Tire & Rubber Co. One day of the 4,000-member organization's convention is set aside as "Canada Day," and problems pertinent to Canadian merchandising are discussed.

* * *

James Fisher Co.'s client, The Reardon Co., has begun a new series of cartoon-style ads in daily and weekly newspaper, coast to coast, for "Bondex" waterproof cement paint. Spring campaign for "Dramex" paint for "problem" walls has also just been launched in newspapers, both English and French; campaign for R.W.K. Casein Paint released to Eastern Canadian newspapers.

* * *

Heggie Advertising Co., new Toronto agency, began operations April 1 in temporary quarters, moving at the end of the month to 57 Bloor. Head is Jack Heggie, formerly vice-president of Alford R. Poyntz Advertising Ltd., Toronto. Associates are A. M. (Don) Robertson, director of creative services; John Chilman, copy chief and account executive; and Adele Chowen, traffic.

* * *

J. Walter Thompson (Toronto) says strip-type newspaper ads, from mid-April to May 24, will promote "Authorized Dealer" scheme for Swift Canadian Co., initiated last year to merchandise "Premium Table Ready Meats." Concluding ads will list all Authorized Dealers coast to coast. Through summer, full-color ads will run in women's magazines.

* * *

McConnell, Eastman & Co. (Montreal) appointed by Morphy-Richards (Canada) Ltd., new Canadian subsidiary of Morphy-Richards Ltd., Great Britain. Products include automatic toasters and automatic irons. Magazines selected for half-page, two-color ads, as well as full-page introductory insertions in trade papers starting in April.

* * *

Ronalds Advertising Agency Ltd. appoints John A. Reynolds to its Toronto staff as media department head.

* * *

Aikin-McCracken Ltd. (Toronto) appointed by Ditto Co. of Canada to campaign in a list of national trade and business publications promoting new Ditto D-10.

* * *

McGuire Advertising Ltd. (Windsor) names William G. Broughton, vice-president and director; John S. Finn, secretary treasurer and director.

* * *

O'Brien Advertising Ltd. (Vancouver) says Pacific Mills Ltd. campaign, run earlier throughout B. C., will extend to Alberta, Saskatchewan and Manitoba.

* * *

McConnell, Eastman & Co. to handle campaign for Thermoid Ltd., makers of friction products. Half-page two-color insertions in automotive trade papers, both English and French, will use slogan "Rely on your brakes instead of your horn."

* * *

Fourth edition of "A Guide For Retail Advertising and Selling," compiled and edited by the Association of Better Business Bureaus' advertising standards committee, is now being distributed through local BBB's in Canada and U. S. Considerably larger than the 1945 edition, revisions include introduction of post-war products and changes in advertising and selling terminology and techniques. Its function is to help advertisers avoid unfair practices and to strengthen the public's confidence in advertising.

The hat for Discriminating men

Borsalino

Buy the best— a quality hat is a wise investment.

THERE IS NO SUBSTITUTE FOR Borsalino QUALITY

IN PARLIAMENT

Your Digest of What Parliament is Discussing and Planning

Parliament took a rest with the Easter recess. Closing debates covered little ground since budget discussions, announcement of 1950 grain payments policy.

* *

PC financial critic J. M. MacDonnell told the House 92% of expected private capital investment in the U. S. this year would come from depreciation reserves and retained surpluses. He wondered what Canadian Government action to force distribution of surpluses would do to the economy here.

* * *

Ex-RCMP member Tom Goode (L, Burnaby-Richmond) wants something done to stop Tim Buck and company from attending Communist conventions in Hungary, other Red lands. It's doubtful anything can be done, as Communist immigration officials would likely admit Canadian Reds even if Canada refused passports.

* * *

Justice Minister Garson promised he would consider George Drew's criticism of the Post Office Department for denying use of the mails to certain Toronto promoters. The Post Office was usurping functions of the Justice Department, said Mr. Drew.

* * *

Mr. Drew says he has been promised Parliament will give consideration to a royal commission on cutting costs of government. He wants a study of ways of minimizing expenses, cutting out overlapping services, means of recognizing responsibilities civil servants assume. Even where no actual duplication is involved, efficiency of similar government services would be improved by consolidating them, he says.

* * *

David Fulton (L, Kamloops) will move House railway committee support of TCA's request for increased monthly mail payments from the Post Office. TCA wants the figure raised to $520,000 from $450,000. Committee didn't get through with TCA before Easter, will examine 1950 estimates of the airline after recess.

* * *

W. F. Carroll (L, Inverness-Richmond) suggested that there would be fewer divorces if adultery were made a crime. David A. Croll (L, Toronto-Spadina) is sponsoring a resolution to have a committee study widening divorce grounds to include long desertion, gross cruelty, incurable insanity.

ENABLES YOU TO ENJOY YEAR ROUND GARDENING

Compact and practical, the ORLYT is entirely prefabricated. It comes in any number of sections that you can easily put up yourself, in your garden or attached to your home or garage. It's fun to grow things in your own Orlyt.

Even-Span Superstructure, Type as Above

$383.00

F.O.B. St. Catharines

Other sizes and types priced accordingly.

For illustrated brochure, write to:

Dept. 502, Lord & Burnham Co. Ltd. St. Catharines, Ont.

502

ORLYT *The* PREASSEMBLED GREENHOUSE

Large Outlays For CPR, CNR

MONTREAL (Staff) — As Canadian railways continue their dieselization program and add to their freight and passenger rolling stock, it's indicated that large outlays will be made for this purpose this year, especially for motive power.

Capital appropriations totaling $24.3 millions are planned by CPR in 1950 for new rolling stock and a further $700,000 for additions and betterments to rolling stock. Similar appropriations planned a year ago totaled $22.9 millions and $900,000 respectively.

CNR spent $28.3 millions on new rolling stock in 1949, and according to the budget presented recently to the House of Commons railway committee, the government-owned system will make a $36 millions outlay for this purpose in 1950.

Last year, CPR paid out $44.6 millions for additions and improvements to its rolling stock. Of this, $9.5 millions was for motive power, $25.3 millions for freight train cars and $9.5 millions for passenger train cars. This represented a jump from $39.3 millions in 1948.

Ont. Steel Products Expands at Chatham

Ontario Steel Products Co., Gananoque, President H. M. Jaquays, this week began building a $175,000 extension to its Chatham plant which makes automobile and truck springs and bumpers, plated metal parts, injected and extruded plastic parts. Contractor is Austin Co., Cleveland and Toronto.

CLASSIFIED ADVERTISEMENTS

Classified ads cost 8c per word and figure for each insertion. Minimum charge $2.00. Add six words when box number is required. When replies are to be mailed to advertiser add 15c. Classified ads payable in advance. Contract rates on application.

POSITIONS WANTED

ACCOUNTANT-OFFICE MANAGER, age 33, thoroughly experienced in retail department store accounting and office supervision. Anxious to locate with concern where knowledge of sales and costs statistics, inventory control, and credit experience will be valuable. Willing to go anywhere. Reply to Box 130, The Financial Post, Toronto.

CAPITAL WANTED

CAPITAL REQUIRED

OPPORTUNITY IN AIR TRANSPORT for an investor with 5,000 to 10,000 dollars. This company, with headquarters in Montreal, has acquired valuable rights and services which should interest the keenest investor. We welcome inquiries from anyone who would like to participate in this most interesting and remunerative field. Representation on management control assured. Box 129, The Financial Post, Toronto.

BUSINESS PERSONALS

MANUFACTURING RIGHTS for lease, U. S. or Can., on new type trailer chassis. Independent wheel suspension, can be raised or lowered for ease of loading. Simple construction. Ideal for boat trailer or general purpose. E. J. McFarland, Box 104, Oshawa, Ont.

POSITION WANTED

ENERGETIC, AMBITIOUS University of Toronto Psychology Graduate desires position in public relations, personnel or administrative work. Ex-Service, age 27. Box 134, The Financial Post, Toronto.

CHARTERED ACCOUNTANT

The University of Alberta invites applications from Chartered Accountants for the position of Assistant Professor in the Department of Accounting at an initial salary of $3,600, duties to commence 1st September, 1950.

Applications stating age, nationality, marital status, other relevant personal information, particulars of qualifications and experience, names and addresses of persons to whom reference can be made, and accompanied by a recent photograph, should reach the Dean of Arts and Science, University of Alberta, Edmonton, Alberta, not later than 30th April, 1950.

ACCOUNTANT

Medium sized manufacturing concern located in greater Toronto has a position for an Accountant to take charge of the general accounts and records and of the development of cost information. This is a growing organization which requires the services of an alert, able and experienced accountant. Please respond initially by confidential letter to

BOX NO. 133, THE FINANCIAL POST, TORONTO

MYW

As principals, we offer:

British Columbia Electric Company Limited

3½% First Mortgage Bonds, Series "E", due March 1, 1975

Price: 99 and accrued interest to yield 3.56%

The Company and its subsidiaries serve an area of 1,500 square miles in British Columbia, Canada's fastest growing province. The increase in population and the industrial development in the districts served is directly reflected in the growth of the business of the Company and its subsidiaries.

Descriptive circular upon request.

McLEOD, YOUNG, WEIR & COMPANY LIMITED

50 King Street West, Toronto, Telephone: Elgin 0161

276 St. James St. West, Montreal, Telephone: Harbour 4261

Offices at: Toronto, Hamilton, London, Ottawa, Winnipeg, Montreal and New York. Correspondents in London, England. Members of The Investment Dealers' Association of Canada.

FOR SALE

Glove Manufacturing Business

Profitable glove manufacturing business, established over two generations and making all lines of high and medium priced gloves. Sales in this business exceed $700,000 annually with substantial profits. Due to family reasons, this fine old business will be sold for less than its net worth, approximately $300,000.

NORMAN BROOKE, Manager
INDUSTRIAL DEPARTMENT GUARDIAN TRUST CO.
MONTREAL

MAYFAIR

THE ONE NATIONAL CIRCULATION THAT SMALL ADVERTISERS CAN AFFORD.

THE ONE PREMIUM CIRCULATION THAT BIG ADVERTISERS CAN THRIFTILY ADD.

How much of your money goes for waste circulation? Mayfair reaches big buying power with minimum waste.

ASK YOUR ADVERTISING AGENT OR PHONE

MAYFAIR MAGAZINE

DOMINION SQUARE BLDG., MONTREAL,
481 UNIVERSITY AVENUE, TORONTO.

A Maclean-Hunter Publication.

Small Car Invasion Has Auto Makers Here Worried

(Continued from page 1)

will raise the healthy 11% slice they carved out of the market in 1949 to 15% or higher in 1950.

But the full extent of the British car invasion can only be seen by a comparison with the cuts Canadian manufacturers took:

Ford took the biggest piece with 31.8%.

General Motors, the traditional sales leader was second with 28.1%.

Chrysler third with 20.7%.

All other non-U. K. makes, 7.9%.

Austin Leads All In B. C.

Striking as these comparisons are, the results in British Columbia are nothing short of astonishing. There, one U. K. make (Austin) set a blistering sales pace, outdistancing even the best-selling Canadian make by a wide margin.

Austin sales for the year in B. C. were 3,274 against 2,443 for its closest competitor (Ford).

Altogether, 6,500 British cars were sold in B. C. last year. This accounted for about one-third of all new car sales.

In B. C., at least, the British car is pushing Canadian-made jobs out of the sales race.

In the light of this trend, it is not considered strange that some Canadian auto makers are showing concern at the U. K. auto invasion. An 11% chunk of all sales at today's record volume isn't too much to get excited about. But if the U. K. makers hold the same share when the market gets back to normal, many feel it could make a lot of difference to Canadian manufacturers. And particularly now when what's left has to be spread around between more manufacturers. Since the war, two independent passenger car manufacturers have established (Studebaker and Hudson) and a third (Nash) is due to get into production next month.

No Decision On Dumping

There has been no decision yet on what action if any will be taken by the government to restore power to impose dump legislation against U. K. imports. The question is under very active consideration at Ottawa. And the more British cars enter Canada the greater the pressure.

Also uncertain is just what would be the effect on British car prices and their competitive position in Canada if the dump law were invoked.

On some models and makes, the increase in price is said to range in the $300 bracket per car. Individual models might go considerably higher.

In Toronto, an official of one of the leading U. K. firms said dump duty would only apply to two makes. Between them they are only bringing in about eight cars a month, he said.

How Protection Works

The anti-dumping protection now given British cars operates like this:

Since there is no duty against British cars entering Canada, the only imposts are the 10% excise and the 8% sales tax. Both excise and the sales tax are calculated on the market value of the car in Britain converted into Canadian dollars at the present rate of $3.08.

But since no tariff and no dump duty is levied on these cars, the British are at liberty to name their own ticket in setting their export prices for Canada.

They argued originally that it would be unfair and onerous not to set export prices below the U. K. market price. The British prices, it was argued, are fictitious since 76% of all output is for export. Under these circumstances, home prices tend to be set to discourage home purchasing.

For example, a car destined for sale in Canada before devaluation might be valued at £400 in the U. K. home market and $1,300 for sale in Canada. Since there is no dump duty this would be quite legal, so long as Canadian excise and sales taxes were paid on the U. K. home price of £400.

Before devaluation, these values would have given a Canadian price of $1,200.

But since devaluation the British car manufacturer is getting two kinds of benefit:

1. By quoting the same value as before, he is getting an effective price in Canada of $900 instead of $1,200, even though the purchase price in the U. K. remains £400, thus enlarging the "spread" in favor of the export sale.

2. Because the home value is itself devalued in terms of Canadian currency, the U. K. manufacturer gets a lower base on which to now calculate his Canadian excise and sales taxes.

It is therefore argued that since devaluation the British car manufacturer does not require the same protection by way of freedom from dump duty as was the case before Sept. 18.

One reason given in Ottawa for the large February shipments is that U. K. manufacturers, fearing the imposition of the dump, are anxious to get as many cars as possible into their Canadian agencies.

This is denied by Canadian representatives of U. K. firms. They say current demand warrants present shipments. They point out January-May are the peak importing months. This way they get enough cars on hand to take care of the spring buying spree. After May, shipments will begin to taper off but they will still run considerably above the 2,700 average monthly volume in the last six months of 1949.

Labatt Appointments

ALEX S. GRAYDON — JOHN B. CRONYN

John Labatt Limited announces the appointment of Alex S. Graydon as Executive Assistant to the Vice-President and General Manager and John B. Cronyn as Production Manager.

Associated with the Company since 1937, Mr. Graydon obtained his Master Brewer's degree at the Wahl-Henius Institute, Chicago, in 1939. Following his war service in Europe, he returned to McGill University and was graduated as a Bachelor of Civil Law in 1949. He was admitted to the Bar of the Province of Quebec in July, 1949. On his return to Labatt's in September, 1949, Mr. Graydon was appointed Export Manager.

Mr. Cronyn joined the Company in August, 1947, following his graduation from University of Toronto with the degree of Chemical Engineer. Prior to that he had served four years with the Army, mostly in Northwest Europe. In 1949, Mr. Cronyn obtained his Master Brewer's degree at the National Brewers' Academy in New York City. *

General Manager WANTED

Canadian subsidiary of leading, well-established American manufacturing and selling organization offers real opportunity to the man who can qualify for position of General Manager.

We are looking for a man of mature judgment with considerable manufacturing and sales experience who has demonstrated his ability successfully, to work out the general management problems of a medium to large-sized enterprise.

Must be self-reliant and aggressive, with plenty of initiative and an appreciation for opportunity rather than security. This is an opening for a top-notch executive and the salary offered will be attractive to the right man. Correspondence will be kept strictly confidential. Our employees have been notified this advertisement is being published. Apply in detail and send recent photo to

BOX 131, THE FINANCIAL POST, TORONTO

INVESTMENT MANAGEMENT SERVICE

Too many people are losing income by keeping excessive funds in cash or nonproductive assets, or are losing both principal and income through uninformed selection of investments or neglect.

Our investment officers — men trained in every phase of the investment field — men who are constantly checking financial reports, statistics, to keep informed on local and world-wide conditions — can relieve you of your investment worries by advising, investing and safeguarding your securities whether your portfolio be small or large.

ENQUIRE FOR MORE DETAILS

More Than 50 Years of Friendly Personal Service

Crown Trust Company

Toronto Brantford London Windsor
Montreal Winnipeg Calgary Vancouver

WATCH FOR THESE —

APRIL 22—Annual feature report on Fire and Casualty insurance companies.

APRIL 29 — Annual Prairie Report. Comprehensive and exciting news about current developments.

Look For It Here

April 15, 1950

REGULAR FEATURES

Adelphi	17	Mining	26, 27
Construction	18	Oil Production	27
Editorials	6	Others Say	6
Grain	22	Post Scripts	6
Indust. Growth	11	Prov. Roundup	16
Insurance	23	Tax Notes	7
Investments	4, 5	Quotations	24
Labor Roundup	10	What's New	13
Market C'ment	25	You Asked Us	21

INVESTMENTS

Alum. Co.	16, 19	Gt. Br. & C. Inv.	12
Abitibi P. & P.	19	Gurney Fdry.	16
Auto Electric	8	Gt. Lakes Paper	8
Burns & Co.	23	Goodyear Tire	8
Bowes Co.	27	Hendershot Pap.	19
Cons. Textiles	22	Internat. Paper	23
Can. Fairbanks	9	Lowney's	9
Calgary Power	5	London Gram.	4
Can. Ind. Alco.	22	Milk-O-Mat	5
Can. Inv. Fund	21	Monarch Mtge.	20
Can. Electric	21	Mercury Mills	25
Collingw'd Ter.	19	McColl-Front.	4
Colonial Steam.	12	Nat. Drug & Ch.	20
Can. Liq. Air	10	Northwest Util.	7
Cooksville Co.	10	Paul Ser. Stores	21
Can. Vickers	20	Purity Flour	10
Dom. Fabrics	17	Powell River	25
Dom. Dairies	10	Penman Bros.	9
Bell Tel.	10	Pacif. C'st Term.	18
Dom. Coal Co.	4	Renfrew Textiles	9
Dow Chemical	22	St. John Dry D'k	5
Enam. & Heat.	9	Southam Co.	20
Esmond Mills	7	Sicks' Brewery	25
F. W. Horner	19	Simpson's Ltd.	5
Ford Motor	23	Stovel Press	4
Famous Players	22	Stedman Bros.	22
Gen. Foods	18	Toronto Iron	22
Grafton & Co.	19	Wilsil Ltd.	20

MINES AND OILS

Aunor Gold	26	Jaculet Mines	26
B. A. Oil	7	Jacknife Gold	22
Berens River	8	New Thurbois	26
Cons. Mng.	26, 27	New Alger	22
Falconbridge	5, 26	Normetal Mng.	27
Home Oil	27	Roxana Oil	22
Imperial Oil	18, 26	Western Ashley	26

Here's Look At Labor's Hot Spots

(Continued from page 1)

ciliation. The union wants 20c package covering pension and social insurance; reduction in work week from 44-40 hours without any loss in take-home-pay; improved vacations; union shop instead of revocable check-off. Stelco has had non-contributory pension scheme since 1920. Average pension said to amount to around $60 monthly. Union wants $100. Contract expired March 31.

At Timmins, Northern Ontario gold mine operators were facing the big CIO Steelworkers for the first time since C. H. Millard's union was given jurisdiction formerly held by the Communist-led Mine, Mill & Smelter union, now expelled from both CCL and CIO. A strike considered to be a showing of strength, has been authorized against McIntyre-Porcupine. The chief issue: union security and the checkoff.

In Ottawa, the big railway wage dispute moved a step closer to a climax. Two Conciliation Boards which have been searching for a settlement for three months were expected to report to the government within 10 days. Both will report failure, The Post understands. Involved are wage demands amounting to $84 millions a year; 120,000 workers and 14 unions in two separate groups. Both want the work week cut from 48 and 44 hours to 40 without any reduction in take-home pay. In addition, one group wants a 7c hourly raise; the other, 10c. Negotiations have been underway nine months.

In Port Arthur, pulp and paper and logging unions were all set for their annual session. Last year, they settled for no raise; this year they are likely to seek a 6c hourly increase. That is what they got in British Columbia. Contracts expire May 1. Talks will be held in Toronto.

In Toronto, city and suburban municipality employees were entangled. In suburban York Township the dispute resulted in a strike of 250 to enforce demands for pay equal to Toronto. And in the city, two civic unions were planning joint action to get a $4 cost-of-living bonus incorporated into the basic wage structure. This would further increase the spread between city and suburban employees.

In British Columbia, 38,000 lumberworkers have set June 15 as the deadline on their "no contract, no work" ultimatum. They are asking 17c an hour more.

At Trail, B.C., Consolidated Mining & Smelter was in the middle of a bitter clash between the Communist Mine, Mill and Smelter union which now holds bargaining rights and the invading CIO Steelworkers. At the height of the feuding, negotiations were due to begin with Mine, Mill on contract renewal. At Trail and Kimberley, Mine, Mill is demanding across-the-board raises of 17c an hour; 10 paid statutory holidays (six now) the 40-hour week (now 42). At the same time, the rival steel union applied for certification, thus adding to the complexity of Consolidated's problem.

At Sudbury and Port Colborne, Ont., the outlawed Mine, Mill began renewal talks with International Nickel. About 10,000 are affected at Sudbury; 2,500 at Port Colborne. Demands include the 40-hour week and an unstated wage increase. Here too, the situation is complicated by the nation-wide fight between Communist and anti-Communist forces.

T. S. E. Values At New High

The Toronto Stock Exchange quoted values in March reached a new high of $8,096,797,978, up $178 millions over the previous month. Most of the gain was contributed by industrial stocks.

Of the 14 industrial groups in the exchange's compilation, 88 manufacturing issues advanced some $53 millions on the previous month, followed by a $42 million gain by 17 oil distributing and refining issues, while 31 paper stocks made a gross appreciation of $31 millions. Other groups showing gains were the utilities, up $18.5 millions; construction and steels $12 millions, liquors $10.5, foods $7.5 millions, miscellaneous industrials and finance each $4.5 millions and motor and aligned stocks $1 million. Amusement and textiles were the only industrials groups to show a loss on the month.

During the month the exchange's indices, which are computed hourly, had the industrials gaining 4.85 points, golds 2.09, western oils 7.71 and base metals fractionally lower.

Below are the 10 most active mines and 10 most active industrials during the month.

Stock (Mines)	Net Change	Stock (Indust.)	Net Change
Louvicourt	+6⅛	Brazilian	+1¼
Norseman	+5	Br. & Mill. A	+.15
Mosher	—17½	Union Gas	+2⅝
Aumaque	+21½	Dist. Seag.	+⅞
C. Ansley	+7½	B. A. Oil	—⅛
Highridge	—1	Imp. Oil	+1⅛
Queenston	+25	B. C. Forest	+.50
Hard Rock	+1	Walker G&W	+3¼
Osulake	+2⅝	CPR	—1
MacLeod	+45	C. Paper	+1⅝

What Some of The 'Come-On' Mining Literature Is Saying

(Continued from page 1)

myself, the balance. The stock should be scarce and therefore in demand."

Shares were being offered at $1 a share.

But a little investigation suggests these statements would be quite misleading to any party unfamiliar with the company.

A prospectus issued in October, 1946 shows that the company even at that time had 250,055 common shares issued. Of these all but 55 had been issued to the president for services and expenditures on the company's behalf. At that time the company held no properties.

There's been some very "powerful" selling of oil wells, etc. Some people have gone into ventures at prices which guaranteed failure.

But uranium has probably had more surprising things said about it than anything else.

Listen to what one piece of literature has to say about uranium!

"It (uranium) far exceeds any other substance in the history of man in opportunity for profit . . . One can travel for a year on a pellet of atomic energy the size of a vitamin pill . . . One has but to think for a moment, to visualize the fortunes again to be made as the world changes to an atomic era should one be so fortunate as to hold a share of this source—to realize the profit possibilities presented by shares of ——— Mining Corp. presently priced at penny levels . . . The price rise we anticipate may swing into action **very soon.**"

For the woes of the authors of such "puffery" our tears don't come easily.

1 Reason why A MILLION CANADIANS *use the B of M* for SAVING MONEY . . .

If you want to keep your money safe and build up reserve funds . . . or accumulate money for special purposes, follow the lead of more than a million Canadians and start a B of M savings account. Begin building a "success fund" for *tomorrow* . . . by visiting your nearest B of M branch *today*.

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AD77

"MY BANK" B of M

"OFFICE SPECIALTY" EXPANDS

M. B. SELDON, General Sales Manager — W. S. JANES, Sales Manager Steel Division — J. D. MALCOLM, Sales Manager Systems Division — T. B. SCOTT, Sales Engineer

With the increasing demand for the products of The Office Specialty Mfg. Company, Limited, Newmarket, Ontario, makers for over sixty years of fine Office Equipment and Filing Systems, a continued program of expansion is under way.

In addition to the extra manufacturing space in the Newmarket plant, made possible by the erection of the three storey office building completed last year, the Company now proudly announce the completion of a new large modern Factory at Holland Landing, on Yonge Street, providing thousands of extra square feet of manufacturing space for the production of Steel Lockers, Shelving, Partitions, and kindred lines.

In consequence of the duties of the sales department which have developed, Mr. G. L. Manning, Vice-President and Managing Director, has announced the following new appointments and promotions: Mr. M. B. Seldon, General Sales Manager; Mr. W. S. Janes, Sales Manager of Steel Division; Mr. J. D. Malcolm, Sales Manager, Systems Division and Mr. T. B. Scott, Sales Engineer.

With these enlargements in facilities and organization "OFFICE SPECIALTY" is more than ever equipped to fulfill its long-standing role as leaders in the office equipment field in Canada *

Yours for Service

IMPERIAL BANK OF CANADA

WHEN

...... is an estate large enough to benefit from Trust Company services?

- The size of an estate is not the determining factor as far as Trust Company services are required.
- The important thing is whether Trust Company administration will bring actual benefits to a wife and children—or whoever the beneficiaries may be.
- Estates now being administered by The Canada Trust Company range in size from small to very large.
- Regardless of the size of your estate—our Trust Officers welcome the opportunity to discuss your estate plans with you.

The CANADA TRUST Company

Branches in 6 provinces

London (Ont.) — Toronto — Guelph — Hamilton
St. Thomas — Chatham — Windsor — Winnipeg
Regina — Edmonton — Vancouver — Victoria

MARKET RESEARCH MAN

Leading Canadian Manufacturer requires man to head market research activities. For a practical sales-minded research man in the 25-35 age group, this is an excellent opportunity for ultimate advancement to a senior marketing position. Our client's staff know of this opening. Give complete particulars including education and business experience by letter to

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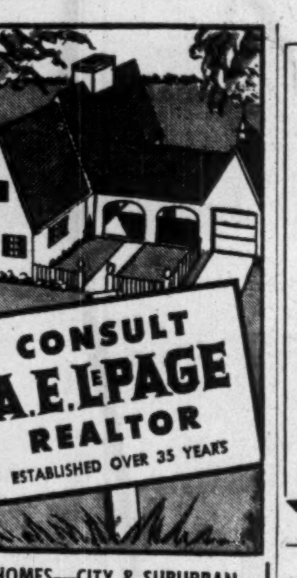

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5000 Sq. Ft. Concrete Block Building

Hot Air Stoker Fired Heating

Excellent Condition

Suitable for Light Manufacturing or Warehousing.

Located on Corner Lot 100' x 100' in Semi-Industrial Area of City with Sewer, Water, Gas and Electric Services.

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JOSEPH STOKES RUBBER COMPANY, LTD.
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INDUSTRIAL RELATIONS

"Labor Roundup"—another Post exclusive—reports on the practical side of industrial relations week by week. Keep yourself in touch with the trend of union activity. Read The Financial Post.

BY MAIL ONLY $6 A YEAR

SOFT DRINK PLANT FOR SALE

Bottling business being sold to close estate. Established over 50 years in one of most attractive towns in Central Ontario, the plant handles internationally known product and complete line of flavours. Distribution covers wide urban and resort territory. An unusual opportunity for active proprietor prepared to invest $40,000. For particulars write

BOX 132, THE FINANCIAL POST, TORONTO

OFFICES FOR RENT

Modern 4-storey building with elevator and janitor service to be erected in business section in Moncton, N.B. Entire first floor, approximately 15,000 square feet will be available for stores or offices. Also, 10,000 square feet on third floor and 15,000 square feet on fourth floor for offices. Plans to be started in near future and may be prepared to suit specific needs. Apply to

BOX 108, c/o THE FINANCIAL POST, TORONTO

INVESTMENTS THIS WEEK

Imperial Oil Jumps Sharply Investors Look For Reasons

Why has Imperial Oil Ltd. common jumped so suddenly? What stimulated its activity? That was a big question in financial circles in the past week.

After trading in a fairly narrow range this year, Imperial Oil common featured the stock market by moving sharply upward from its price of $23 a share to middle of last week to close the week at $25½ in Canada. While Canadian markets were closed for the holiday week end, it ran up in New York market from $22 a share N.Y. to sell at $27¾ a share N. Y. last Monday and then backed away to close at $25 N. Y. Last Tuesday it opened at $28 a share in Canada, and then started to soften and closed the day at $26¾ a share.

No obvious answer is contained in Imperial's annual report which shareholders received this week. If anything the report could be considered slightly bearish for the immediate future although still promising growth for the longer term.

The week end's movement is generally attributed by investment men to straight market manipulation in the New York market where the supply of stock is limited while the Canadian markets were closed so there could be no arbitrating. That, of course, does not explain the upward jump in the stock which had started before the week end.

The chief rumor on the "street" is that Imperial is planning to split up into two or more companies, e.g., into a production company, a manufacturing and a marketing company and that the stocks of these companies would be distributed. The Financial Post understands that there is nothing to this rumor. Imperial officials have stressed the fact that it is an integrated company so that it is unlikely that they would want to break up now. If the divisions were set up as wholly owned subsidiaries and the stock not distributed, the holder of Imperial Oil common would be in no different position than he is today.

A stock split is also rumored but with 27,133,843 common shares now outstanding, that seems unlikely.

The possibility of an immediate dividend increase would also appear remote. Earnings in 1949 were up only 4.8% to 88c a share. The 50c annual dividend rate thus took about 57% of the earnings. Imperial is still faced with large capital expenditures for development and construction so that part of the earnings can be expected to be plowed back. Working capital position was strong with working capital of $147,616,304 ($110,575,901 a year before) including $40.8 millions of cash and Government of Canada bonds.

Another reason given was the acquisition by Imperial of nearly two millions of acres of holdings in Northern Alberta stretching to its top boundary with N.W.T.

As Imperial's annual report states, Alberta is now, and may be for some time to come, in a condition of surplus with regard to oil in relation to accessible consuming areas which "requires additional planning for wider markets" and so a further investment.

Potential production in Alberta already is slightly in excess of the total market that will be available even when the pipeline extends movement of oil to Ontario refineries in the spring of 1951, according to Imperial's president, G. L. Stewart. Each new well brought in results in reduced allowances for other wells. When the Ontario market is accessible, the price of crude in the field is expected to drop. Size of drop is estimated by The Post at roughly 50c a bbl. at the wellhead based on present information available.

On the other hand it is also noted that Mr. Stewart says: "there is reason to hope that further large discoveries will be made" in Alberta. Imperial's reserves would now amount to about 26 bbl. per common share so that the stock, at its present price, is just valuing this oil at about $1 a bbl. or about one third its present wellhead value, without any allowance being made for the value of the company's other assets.

Further, although the net profit was only up 4.8%, the Canadian operating income was up 18.5% in 1949, the difference being due mainly to a drop in its dividend income as a result of sale of Royalite and International Petroleum shares. This increase was in spite of a sharp jump ($5,858,899 or 75.8%) in the charge for depreciation and depletion, equivalent to over 21c a common share. It also does not include $1,424,485 profits of certain subsidiaries in excess of dividends paid Imperial by these subsidiaries which is equal to another 5c an Imperial share. The increase also contrasts with decreases shown by British American Oil and McColl-Frontenac Oil.

Appreciation of these latter factors and expectation of further growth, together with a generally better market, would seem to be sounder reasons for the rise in price of Imperial's stock.

* * *

See Great Lakes Paper Dividend Policy Followed

Questions raised recently in financial circles as to the dividend policy of Great Lakes Paper Co. would appear to be answered by a study of the annual report published this week.

At the last annual meeting Hon. W. Earl Rowe, president and managing director, stated management's dividend policy was to pay out 50% of earnings as dividends and allow the balance to accumulate to strengthen working capital position. Although this was reiterated when the common dividend was reduced in June, 1949, some investment men expressed doubt, late last year, that the company was sticking to it.

An examination of the annual report discloses that dividends paid of $812,749 in 1949 were 46.4% of the net profit of $1,750,240. If, however, the 15c a share extra paid on the common on March 31, 1950, is considered applicable to 1949, it would bring dividend payments up to 49.9%.

It would appear that present policy might be to pay 25c a common share quarterly and extras along with such quarterly payments as would approximate 50% of earnings — any difference being adjustable in the first quarter of the subsequent year when results for the full year are under review. Shareholders will be interested to have Mr. Rowe's comments on the policy at the coming annual meeting.

* * *

Should Inform Holders What They Are Voting For

In the notice of the annual meeting of Southam Co., shareholders are told they will be asked to consider a bylaw, passed by directors, "for amending the general bylaws of the company respecting notices to be given of annual and special general meetings of shareholders." No explanation is given of the exact nature of the amendment nor is a copy of the bylaw enclosed.

Shareholders surely should at least know exactly what they are being asked to vote for before they fill in their proxy for the management. Otherwise only those who either attend the meeting or else take the trouble to write the company for further information will know what the bylaw says.

* * *

Int. Paper Divides Report in Two Parts

International Paper Co.'s annual report comes in two parts this year — one containing financial data and the other, a pictorial account of one of the company's main research labs. Separation of the pictorial material (other than charts) from business and financial data may make for clarity, President John H. Hinman suggests.

The research operation picked out for special mention is the Hawkesbury, Ont., plant of C.I.P. subsidiary Industrial Cellulose Research Ltd. This company has five laboratories and two pilot plants — one for pulp-making and one for making synthetic textiles. Wood samples are shipped there from all over the continent and even overseas for testing, making possible the use of an increasing variety of species, and development of new products and improvements on the old.

DOMINION COAL CO. March production totaled 467,540 tons. Three months' total output was 1,283,572 tons, an increase from 1,112,761 tons produced in same 1949 period.

TOWN O[F] ST. LAURENT, Que., Catholic school commission has sold $177,500 3% bonds due 1951-60 and $147,500 3½% due 1961-70 to Rene T. Leclerc Inc. Price was 99.28 and net cost to commission, 3.453%. Provincial secretary's $80,000 grant earmarked for servicing loan. No other long term debt; population, 16,328.

THE CITY OF EDMONTON

TENDERS FOR DEBENTURES

SEALED TENDERS marked "TENDERS FOR DEBENTURES" addressed to the City Commissioners, Civic Block, Edmonton, Alberta, will be received at the office of the Commissioners up to 12 o'clock noon, Mountain Standard Time, on Thursday, the 27th day of April, 1950, for the purchase of Consolidated Debentures of The City of Edmonton in an aggregate principal amount of $4,000,000.00, for various Civic purposes within the jurisdiction of City Council.

The said Debentures in the denomination of $1,000.00 each will be non-callable bearer Serial Debentures principal payable in each of the years 1951 to 1980 inclusive.

The Debentures will be dated May 1, 1950, and principal payments will mature on 1st day of May in each year. Interest will be payable semi-annually on the 1st days of May and November in each year.

The said Debentures will bear interest at 3% per annum with respect to maturities of the years 1951 to 1960 inclusive, amounting to $1,429,000.00, 3½% per annum for debentures maturing in the years 1961 to 1980 inclusive, amounting to $2,571,000.00.

The Debentures will be direct obligations of the City and will be payable as to both principal and interest in Canadian Funds in the Cities of Edmonton, Calgary, Toronto, Montreal, Winnipeg or Vancouver at holder's option.

Legal opinion of Daly, Thistle, Judson & McTaggart, 25 King St. W., Toronto, will be furnished at the expense of The City of Edmonton.

Tenders submitted within the time mentioned herein will be opened and considered at 12 o'clock noon or shortly thereafter at the office of the City Commissioners, on Thursday, the 27th day of April, 1950.

The City reserves the right to reject any or all tenders, the highest or any tender not necessarily accepted.

Tenderers are required to state the net price to the City for Edmonton payment and Edmonton delivery of the Debentures on May 1st, 1950, to which accrued interest will be added if delivery be made after that date. In this case it is not expected that delivery will be made before May 15th, 1950.

DATED at Edmonton this 4th day of April, 1950.

THE CITY COMMISSIONERS OF THE CITY OF EDMONTON.

Stovel Press Ltd. Passes Dividend

Directors of Stovel Press Ltd. will take no action on the quarterly dividend on the preferred stock due April 15. Dividends had been paid regularly since initial 12½c was paid Jan. 15, 1948.

President D. A. Thompson explained that substantially increased publication production costs, resulting from increased wages and supplies have adversely affected earnings of that division.

Further increases in production costs are anticipated, he said, as a result of freight rate increases and government limitation on advertising content in magazines in relation to postal rates. Revenue from advertising has not been sufficient to offset these increased costs, it is stated.

New Plant For Phono. Records

MONTREAL (Staff) — London Gramophone of Canada plans to build a new $100,000 record factory in suburban St. Laurent, a company official informs The Post. Architect Phil E. Goodfellow is preparing detail plans and construction is expected to start this spring, with completion hoped for by autumn. About 35 to 40 will be employed initially. Till now, company has confined its activities to distribution, although it has some pressings made for it by other Canadian manufacturers.

The Canadian company, set up in September, 1948, is a subsidiary of London Gramophone in the U. S., in turn a subsidiary of Decca Record Co., London, Eng.

English Decca firm has no connection with U. S. Decca, London Gramophone of Canada states.

London Gramophone has a warehouse in Montreal and has been importing records from both U. S. and U. K. Now more of the records will be made here although many will continue to come from the U. K. and U. S. parent firms. LGC recordings of Canadian artists no longer will have to be farmed out to other firms for pressing, it's stated.

Company will benefit from recent Canadian tariff changes which permit importation of shellac record "biscuits" (discs used for pressing) from U. K. free of duty instead of former 15%.

McColl-Front. Current Sales Over Year Ago

MONTREAL (Staff)—McColl-Frontenac Oil Co. gasoline sales in the first two months this year were ahead of a year ago, President J. M. Pritchard stated at the annual meeting last week.

Company's sales increased to new records in 1949, he noted. With the addition of a large number of independent service station operators, a record number of outlets were handling Texaco products. Company also opened several new service stations, rehabilitated others.

Transfer to Texaco Exploration Co. of company's remaining half interest in 2½ million acres in Western Canada for $1.6 millions, was due to the limited company funds available for speculative ventures after meeting the heavy requirements of its manufacturing and marketing departments, Mr. Pritchard explained. Company will continue to be interested in production in Western Canada, but present policy will be to invest any moneys available in semiproved and proved areas, and thus minimize hazards of oil exploration.

Company retains a royalty interest in the former jointly owned acreage (10% of net production) without further expense. Under the old scheme, company had to provide half the exploration and development expenses. McColl also retains the right to take a working interest up to 50% in all Crown acreage acquired by Texaco Exploration by competitive bidding.

Company's new $10 million refinery at Edmonton, now under construction, will have a capacity of 5,500 bbl. of crude oil per day. It will include catalytic cracking equipment similar to that in use at Montreal, and a process for coking of fuel oil. The Montreal refinery had its first full year of operation in 1949. It was operated at its 40,000-bbl.-per-day capacity throughout the year and made it possible to sell the highest grades of gasoline, Mr. Pritchard said.

TOWN OF PORT ALFRED, Que., has sold $29,000 2¾% bonds due Feb. 1, 1951-55, $41,000 3% due 1956-60 and $55,000 3¼% due 1961-65 to Mills, Spence & Co. for 98.03 and net cost of 3.3939%. Proceeds are for sidewalks, waterworks, etc. Net consolidated debt at June 30, 1949 was $558,900; population 3,925.

A Public Utility Bond To Yield 4.50%

The hydro-electric power produced for over 30 years by Great Lakes Power Company Limited and its predecessors has been instrumental in developing industry in and around Sault Ste. Marie.

The Company is a wholly-owned subsidiary of Great Lakes Power Corporation Limited and numbers among its customers Abitibi Power and Paper Company Limited, Algoma Steel Corporation Limited, Chromium Mining and Smelting Company Limited as well as the City of Sault Ste. Marie and other surrounding municipalities. We offer as principals—

Great Lakes Power Corporation Limited
4½% General (Closed) Mortgage Sinking Fund Bonds
Due December 30th, 1969
Denominations: $500 and $1,000
Price: 100 and interest to yield 4.50%

Earnings in 1948 after depreciation and present first mortgage bond interest amounted to over 3.4 times interest requirements on this issue, and the 1949 report is expected to record higher earnings.

A prospectus containing details as to the Company's operations, customers, power contracts and earnings will be forwarded gladly upon request.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg Vancouver
Ottawa Hamilton London, Ont. Kitchener
Regina Edmonton New Westminster Victoria
New York Halifax Quebec London, Eng.

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OTTAWA LE DROIT
A.B.C. City Zone Circ.
*14,204
*(TOTAL CIRC.) 28,876
Selling 16,375 Families

ENGLISH PAPER "A"
EVENING
A.B.C. City Zone Circ.
**33,394

ENGLISH PAPER "B"
EVENING
A.B.C. City Zone Circ.
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63,653
Selling 28,286 Families

French-speaking consumers spend eighty-four million dollars yearly on retail purchases in the Ottawa A.B.C. City Zone. You sell MORE Ottawa families at LESS COST with Le Droit and ONE English newspaper.

Le Droit

28,876 DAILY CIRCULATION
*AVERAGE — FOURTH QUARTER — 1949
Head Office: 368 Dalhousie Street, Phone 3-4061, Ottawa
Toronto Representative: D. L. BOUFFORD, 112 Yonge St., Phone WA. 8509
U. S. Representatives: SHANNON & ASSOCIATES

** ABC. Publishers' Statement 6 Months Ending Sept. 30, 1949.

S. J. HAMMITT

Mr. S. J. Hammitt has been appointed President and Managing Director of Morrison Steel & Wire Company (1950) Limited, manufacturers in Vancouver for forty-four years of wire nails, staples, bright and annealed wire, bale ties and wire hoops. The appointment is effective April 1. *

CITY OF CHATHAM

TENDERS FOR DEBENTURES

Sealed tenders addressed to L. D. Groombridge, City Treasurer, Harrison Hall, Chatham, Ontario, marked, "Tender for Debentures" will be received until five o'clock p.m., Monday, April 24th, for the purchase of the following debentures:

$100,000.00—3% Serial Debentures dated May 28th, 1950, maturing May 28th, 1951 to 1960.

Principal and annual interest payable in Canadian Funds at the Canadian Bank of Commerce, Chatham, Ontario.

These debentures for the purpose of purchasing a Municipal Building, will be issued in denominations of $1,000.00 and odd amounts, will be registerable as to principal only and will bear the Certificate of Validation of the Ontario Municipal Board. Final maturity is callable.

The City reserves the right to reject any or all tenders.

W. GEORGE KERR,
Mayor.

Harrison Hall,
Chatham, Ontario,
April 13th, 1950.

Royalite Oil Company, Limited

In compliance with Sub-Section 6 of Section 104 of the Dominion Companies Act, notice is hereby given that the Register of Transfers of the Company will be closed from the close of business on Saturday, the 15th day of April, 1950, until the opening of business on Thursday, the 27th day of April, 1950.

By Order of the Board,

R. D. MERCER,
Secretary-Treasurer.

31st March, 1950.

★ QUARTER CITY BLOCK in VICTORIA, B.C.

Here is an exceptional opportunity to acquire a business property in the most central location in the Capital City of B.C. Frontage of 129 ft. on one street and 170 ft. on the other. Principal business buildings of the City practically all in adjacent blocks. Corner building is two storey brick construction, and comprises about half the property. The other adjacent building facing on one street is 4½ storey brick with stone facing. Older type buildings but of extra heavy construction. Corner property only $175,000, the 4½ storey building $150,000, or both may be purchased for $300,000. For Sale exclusively by

HAGAR & SWAYNE LTD., Victoria, B.C.

CANSO AMPHIBIAN AIRCRAFT FOR SALE OR CHARTER

Licensed for 22 passengers

Heavy cargo floor • Large loading hatches
Bendix radio equipment • Janitrol heater
New Certificate of Airworthiness

For further particulars and prices — contact

MARITIME CENTRAL AIRWAYS LIMITED
CHARLOTTETOWN, P.E.I.

MANUFACTURING BUSINESS

FOR SALE

PRICE — $175,000

Well established company with ideal premises situated in industrial centre of Ontario. Sound, profitable operation with excellent potential. Close investigation welcomed by bona fide interested parties. Confidential. All replies should be in writing to Mr. E. M. Miller, Business Sales Department.

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COMPANY

34 KING ST. WEST, TORONTO — WAVERLEY 7681

Simpsons Sales Ahead But Spring Business Off

So far this year sales of Simpsons Ltd. are ahead of 1949 levels, President E. G. Burton told the annual meeting.

In recent weeks, however, there has been a less favorable comparison with last year. In some respects, that has been the result of unseasonable weather, it was stated. More recently sales have also reflected the absence of large special payments made in spring of 1949, such as wheat participation disbursements and return of wartime compulsory savings.

It is apparent that there has been a moderate reduction in the very high level of cash farm income established last year. Large volume of sales being obtained by company is most "gratifying" although profit margins have been narrowing. In 1949 credit sales showed a substantial increase, which now seems to be levelling off. In spite of the increase in credit sales, cash sales are a higher percentage of total sales than in prewar years, it was said.

Devaluation of sterling and associated currencies last September created some opportunities for expansion of buying program in Europe. The company was able to increase its overseas purchases during the past year and the trend has continued into this spring. Also noticed has been a gradual increase in goods produced in Canada which were formerly purchased elsewhere. More than 90% of Simpson's goods are made in Canada.

Mounting taxes at all levels of government are a real threat to the ability of a business to keep pace with public demand for its services, Mr. Burton claimed. The very large funds which a successful business must provide for payment of increasing tax liabilities, make it difficult to build up adequate working capital for continuing expansion, out of earnings retained in the business.

In view of a greatly improved supply situation, forward commitments for merchandise are now at a much lower level than a year ago. Ample reserves have been provided against future inventory losses. During 1949 sales established an all-time high and every branch participated in the increased business. The mail order division made substantial gains as a result of expanded activity across Canada, and in British Columbia convenience of the new distributing plant in Vancouver.

A large addition to the Toronto mail order house to provide one million sq. ft. of operating space under one roof, will be open for the fall and winter business. In the Toronto store an expansion of the seventh floor will by next month house some non-selling departments, making available additional selling space on lower floors. In Regina, consolidation of retail stores in the enlarged downtown store will be completed this week. A one-story heavy goods warehouse is under construction adjoining the Regina mail order building. In Halifax, a five-story addition was completed last fall and open for business at Christmas season. The new Vancouver mail order house has been in full operation since March of last year.

Forty additional order offices were opened during 1949 and there are now 221 order offices in most of the larger communities from Newfoundland to Vancouver Island.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SAINT JOHN DRY DOCK CO., Saint John, N.B., 1949 net profit of $68,658 was down 42.7% from $119,737 shown in 1948. While volume of structural steel work increased substantially, volume of ship repairs dropped about 34%.

Contract to rebuild the McLeod-Pettingil Wharf and Shed is expected to result in a fairly substantial profit. Work on it was almost completed in 1949.

Prospects for ship repairs and shipping have been adversely affected by the general slump in shipping and exports and devaluation of sterling and are not favorable in 1950, President C. N. Wilson states. However, a contract to build a minesweeper for the Navy has been obtained and there are prospects of other Canadian government construction work. The dredging plant will be fully employed for the next two years in dredging the Courtenay Bay Channel. Prospects for structural steel are about the same as in 1949, with new work contracted for but not started amounting to about $450,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total income	$2,485,263	$4,295,138
Net earnings	74,584	290,488
Add: Recov. pr. yrs. wages, etc.	......	15,923
Less: Depr.	86,385	52,788
Income tax	......	64,474
Bad debts w/o	•80,459	69,412
Net profit	68,658	119,737
Less: Pref. divds.	13,873	15,200
Surplus for year	54,785	104,537
•Credit.		
Earnings per Share and Dividend Record:		
4½% preferred	$23.06	$35.76
Paid	4.50	4.50
5% preferred	2.19	4.18
None paid.		
Common	d15.60	d4.55
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$69,530	$105,707
Accts. rec. & dep.	779,424	598,586
Stores & supplies	359,887	454,173
Work in process†	2,246,632	30,666
Total curr. assets	3,455,473	1,189,132
Deferred chgs.	23,405	12,794
Invests.	61,266	61,266
Fixed assets*	2,779,725	2,528,145
Total assets	6,319,869	3,791,337
Accts., tax., etc., pay.	76,825	184,384
Payments on acct.	2,437,274	......
Total curr. liab.	2,514,099	184,384
Deprec. res.	187,691	......
Capital stock	3,022,800	3,059,800
Paid-in surplus	225,000	225,000
Capital surplus	102,200	65,200
Earned surplus	268,079	256,953
*After depr. of	......	118,742
†Less rec. on acct.	......	1,027,744
Working capital	941,374	1,004,748

FALCONBRIDGE NICKEL MINES established production records at mine, smelter and refinery in 1949 but a 3% decline in sales occurred and earnings were lower at 43 cents a share (45 cents in 1948). An extra $132,926 for depreciation and development was written off in 1949.

An increase of 783,000 tons for ore reserves is shown in 1949, with reserves of 14,791,000 tons at the end of the year averaging 1.72% nickel and 0.92% copper. This reserve excludes ore in pillars or below the 2,800-ft. level of the Falconbridge mine, takes in ore developed above the 825-ft. level of the new McKim mine.

Inventories of matte and refined copper increased in 1949; surplus matte produced is being held awaiting completion of the Norway refinery program whereas 1948's matte was sold.

Financial requirements of the year including $1,163,463 net requirements for capital expenditures were met largely by a loan secured by the refining subsidiary in Norway, earnings in excess of dividend payments of 35 cents a share and use of working capital.

The internal shaft of Falconbridge reached a depth of 4,000 ft. during the year. Opening of levels below 3,150 ft. is planned including exploration for the interesting south wall ore bodies discovered on the 2,800 level.

Work at the McKim mine revealed ore conditions in line with preliminary diamond drilling.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Metal sales	$11,178,732	$11,508,405
Less: Oper. exps.	8,497,831	8,969,486
Oper. profit	2,680,901	2,538,919
Add other inc.	73,549	111,042
Gross profit	2,754,450	2,649,961
Less: Taxes	577,755	652,717
Def. devel. w/o	384,635	326,770
Depreciation	265,108	168,375
Exch. loss	94,645	......
Net profit	1,432,307	1,502,099
Less: Dividends	1,179,498	1,177,152
Surplus for year	253,809	324,947
Earnings per Share and Dividend Record.		
Earned	0.43	0.45
Paid	0.25+0.10	0.25+0.10

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$423,585	$871,000
Accts. rec.	2,110,262	2,137,859
Secs. at cost▲	1,029,584	2,359,209
Refin. met. cost	1,301,358	669,336
Matte cost	3,100,144	2,293,697
Supplies, etc.	1,265,617	1,261,514
Total curr. assets	9,230,550	9,592,615
Devel. exp.	571,891	245,214
Norway bk. bal.	161,863	338,706
Prepaid exp.	81,251	57,288
Misc. invests.	280,005	265,437
Power deposit	64,128	70,641
Mine props.	3,254,126	3,241,215
Plant & equip.*	1,765,622	1,663,707
Norweg. plant*	1,099,682	377,722
Total assets	16,509,118	15,852,545
Accts., etc., pay.	900,393	1,105,421
Tax pay.	453,742	534,668
Total curr. liab.	1,354,135	1,640,089
Loan (sec.)	688,218	......
Capital stock	7,147,865	7,146,365
Surplus	7,318,900	7,066,091
▲Market value	1,024,000	2,355,000
*After total depr. of	9,785,199	9,560,124
Working capital	7,876,415	7,952,[illegible]26

OPERATING STATISTICS

	1949	1948
Tons milled	941,929	821,259
Average recov.	$11.87	$14.01
Ore reserves, tons	14,791,000	14,007,500
Content: Nickel	1.72%	1.74%
Copper	0.92%	0.93%

E. R. ALEXANDER

has been appointed treasurer of the Sun Life Assurance Co. of Canada.

Calgary Power New $7 Million Issue Expected

MONTREAL (Staff) — New bond and preferred stock issues of Calgary Power Ltd. totaling $7 millions are expected to be offered shortly. The new issues will consist of $6 million 3½% first mortgage bonds due 1972 and $1 million 4½% preferred stock. Offerings will be made by Royal Securities Corp., The Financial Post understands.

Company expects first of its three new power plants in its Spray development will start up this autumn. The first plant will have a capacity of 62,000 hp. although full output probably won't be available for another year. The two other plants, one of 23,000 hp. and the other of 12,000 hp. are expected to be ready next year.

Proceeds will be used to supply funds for this expansion program which will increase company's installed capacity from 107,550 hp. to 208,150 hp.

Present capitalization consists of $11 million 3¼% first mortgage bonds due 1972 and $6 million 3⅝% due 1972; $5 million 4% and $2 million 4½% preferred stock, $100 par; 350,000 issued, 500,000 authorized no par value common. Shareholders will be asked to approve at a special general meeting April 27, an increase of authorized preferred from $7.5 millions to $10 millions, of which $8 millions will be outstanding after new financing.

Net profit in 1949 amounted to $1,125,412 compared with $1,131,911 in 1948. Company spent over $7.2 millions on additions and improvements to its properties last year.

HARRY PRICE INSURANCE AGENCIES LIMITED
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POWELL RIVER COMPANY LIMITED

Notice of ANNUAL GENERAL MEETING

To the Shareholders of Powell River Company Limited:

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the shareholders of the above named Company will be held at Salon "A", Hotel Vancouver, 900 West Georgia Street, Vancouver, British Columbia, on Tuesday the 25th day of April, 1950, at the hour of 2:00 o'clock in the afternoon, for the purpose of electing a Board of Directors for the ensuing year, receiving financial reports and the reports of the Directors and Auditors, and of conferring a general authority to take or acquire by purchase or otherwise any shares in any other corporation, which authority shall expire at the next General Meeting of the Company unless it is continued by ordinary resolution passed thereat, and such other business as may be properly brought before the meeting.

DATED at Vancouver, B.C., this 6th day of April, 1950.

By Order of the Board.

JAMES H. LAWSON,
Secretary.

A CORDIAL INVITATION IS EXTENDED TO ALL SHAREHOLDERS TO ATTEND THE ANNUAL MEETING AT SALON "A", HOTEL VANCOUVER, AT 2:00 P.M. ON TUESDAY, APRIL 25th.

NOTE: The attention of holders of Share Warrants is directed to Section 13 of the Regulations Pertaining to Share Warrants which sets forth the procedure for voting in respect of share warrants and for attendance at General Meetings or giving proxy. Copy of these Regulations as well as form of proxy and form of certificate by a Bank or Trust Company as to deposit of share warrants, may be obtained from the following:

The Royal Trust Company,
626 West Pender Street,
Vancouver, B.C. or

105 St. James Street West,
Montreal, Pr. Quebec, or

66 King Street West,
Toronto, Ontario.

Copies of the Annual Report may be obtained on written request to the Company at its office in Vancouver, B.C., or at any of the above mentioned offices of The Royal Trust Company.

Liquid Vending Machine Firm Common Offered To Public

First public offering of shares of a new company, Milk-O-Mat International Ltd., is being made by H. B. Gilbert & Co. Offered are 500,000 common shares, par $1, at a price of $2 a share. The shares are under option to H. B. Gilbert & Co.

Incorporated Sept. 16, 1949 under the Companies Act (Canada), Milk-O-Mat International Ltd. was formed to consolidate ownership and management of the manufacture, distribution and operation of the Polsen Automatic Liquid Vending Machine in the United States, Canada and 36 other countries. It has acquired share control of two companies:

(1) Milk-O-Mat Corp. which controls Milk-O-Mat Co. (Can.) Ltd., the operating company in Canada. This latter company, in turn, controls Padco (Ontario) Ltd., the operating company in Ontario. Steps are being taken to acquire the shares of Milk-O-Mat (Can.), other than those held by Milk-O-Mat Corp., which will increase the degree of control of the Canadian company.

(2) Milk-O-Mat Corp. of America which is the operating company in the United States and has the exclusive license or franchise for Great Britain and the right to apply for patents covering 36 other countries.

Milk-O-Mat International Ltd. owns 510,000 of the one million shares, par 1/10 of a cent, of Milk-O-Mat Corp. of America and 127,000 of the 160,000 shares issued of Milk-O-Mat Corp. Milk-O-Mat Corp. in turn owns 25,500 of the 50,000 shares, par $1, of Milk-O-Mat Co. (Can.) which in turn owns 60,000 of the 60,005 shares of Padco (Ontario) Ltd.

Heading Milk-O-Mat International Ltd. is Chairman of Board, Maurice Schack, of Middletown, N.Y. He owns 1,646,000 of the presently issued 1,650,005 common shares. He received 1,650,000 under agreement whereby he turned over certain rights to the Automatic Liquid Vending Machines and the stock of the above two mentioned companies. He directed that 1,000 of these shares be placed in the name of each of the other four directors.

Other directors of the company are Peter Schwoebel, president, Jamaica, N.Y.; Louis Henry Nerlich, vice-president; Ephraim Robinson Sugarman, secretary-treasurer and Humphrey Bryon Gilbert, of Toronto.

The Polsen Automatic Liquid Vending Machine for the dispensing of milk, chocolate milk, pure fruit juices and other beverages, was developed over a period of 20 years by Samuel D. Polsen, owner of Standard Pattern Works, Bridgeport, Conn., who sold his rights to the Nelson Liquid Vending Machine Co. of Bridgeport, Conn. Royalties have to be paid, as set out in the prospectus, to this latter company.

In Canada the operations will be carried on by the Milk-O-Mat Co. (Can.) and through it franchises will be granted to separate companies operated in the 10 provinces of Canada.

Ten pilot machines have been made by Robert Mitchell & Co., Montreal, which company is contemplating manufacturing these machines in commercial quantities, the prospectus states.

Proceeds of the offering are to be used about $480,000 for manufacture and operation of the machine in Canada.

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MONTREAL TORONTO WINNIPEG

YOUNG MAN FOR INVESTMENT DEPARTMENT

Financial organization in Winnipeg has an opening in its Investment Department for a young man, age 25 to 35. This position provides an excellent opportunity for the person with proven ability to assume senior administrative responsibilities.

Applicants should have experience in investment analysis work and post-graduate university training in Commerce or Business Administration is preferred.

Write in detail to Box 128 The Financial Post, and enclose a recent photograph.

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WILLIAM M. MERCER LIMITED
MONTREAL TORONTO VANCOUVER

The problem of employees' pension and insurance plans is becoming increasingly important. Employers interested in the subject are invited to write our nearest office for a copy of our 28-page booklet, "Operation Over-Age."

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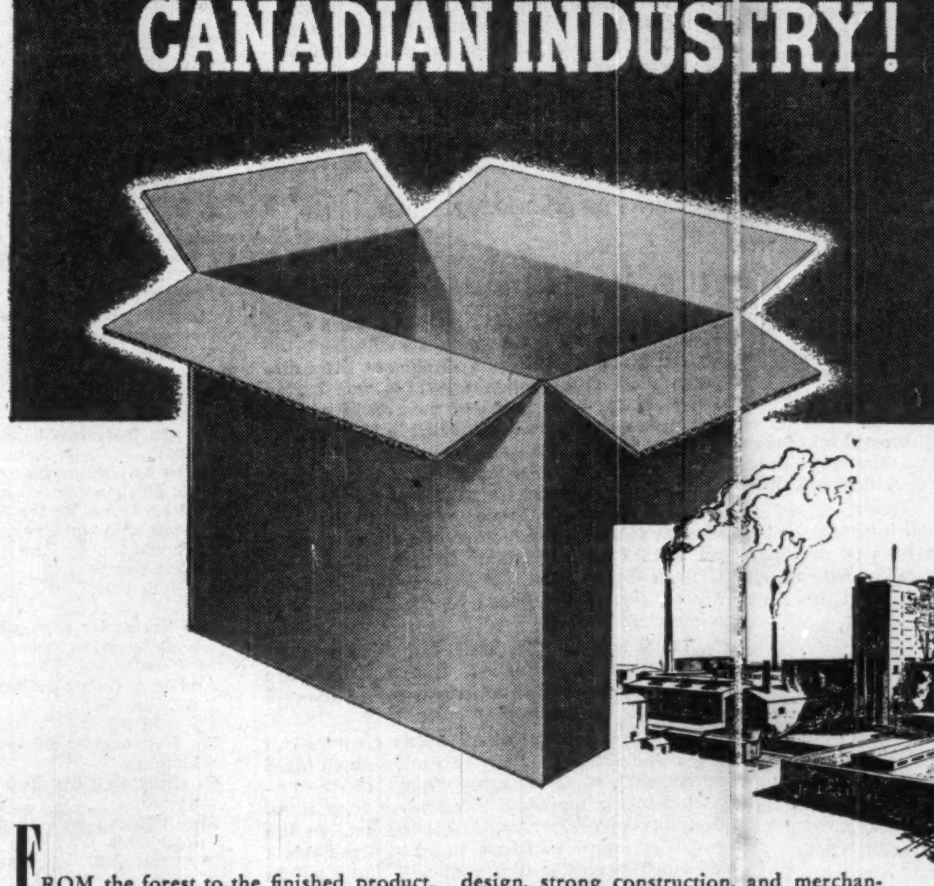


FROM the forest to the finished product, materials going into the manufacture of our corrugated containers and other packaging specialties are scientifically processed to assure maximum quality—strength—and efficiency.

When you select the products of Kraft Containers Limited or Shipping Containers Limited for your shipping needs, you can rely on giving your merchandise maximum protection at minimum cost. The superior design, strong construction, and merchandising appeal of our corrugated kraft shipping cases and containers are the result of years of laboratory research and of a wealth of practical experience.

If you have any packaging problems, please feel free to consult us at any time. The advice of our packaging experts is available without charge or obligation. We exist to serve Canadian industry!

KRAFT CONTAINERS **BATHURST** SHIPPING CONTAINERS

BATHURST POWER AND PAPER COMPANY LIMITED, BATHURST, N.B. AND SUBSIDIARY COMPANIES:
KRAFT CONTAINERS LTD., HAMILTON, ONT. AND SHIPPING CONTAINERS LTD., MONTREAL, QUE.

We're Still Waiting, Mr. Abbott

Despite widespread public interest in the question, there was no statement by Finance Minister Abbott in his budget speech on the government's policy in applying Section 9 (6) of the Income Tax Act. Under this section, the government may compel a company to pay a dividend where Ottawa considers that its undistributed surplus is unnecessarily high.

As was pointed out by The Financial Post recently it is most important that such a statement be made by the government in clear and specific terms, so that management can make its own decisions with full knowledge of all factors likely to affect it.

It is also important that the government amend Sections 9 (6) and 9 (8) to allow an effective means of appeal from the administration discretion exercised under these sections.

Mr. Abbott promised "a number of minor or technical changes in the tax laws, to remove anomalies, to secure greater equity, to clarify obscure points, or to meet special circumstances." It is hoped that, when the actual legislation is brought down, it will be found that there is an amendment to cover the second point mentioned. The coming legislation will be examined closely by those interested.

But that would not be the place for a statement of principles in the application of Section 9 (6) although it is possible the government may be required to make one during the discussion on the amendments.

That Mr. Abbott is cognizant of public interest in such questions was clearly indicated by his preliminary words to his statement that it is not the policy of the government to tax capital gains. He noted the "recent public interest" in this question:

Can it be that the government has no definite policy in its application of this section? If that is the case then it is certainly time that it did some serious thinking on the question and put at least a few fundamental basic principles down on paper. That is the only way it could be sure of being fair in its application of the section against any individual company.

The only other conclusion is that Ottawa wants to keep its policy a secret so as to leave officials a free hand. The Financial Post can quite appreciate that in any tax law, there will always have to be some provision to catch deliberate evaders, because someone is usually smart enough to find a way to evade the letter of almost any tax law. But the government could still retain its discretion and yet outline its basic principles in applying Section 9 (6).

What are its standards for judging whether the undistributed income exceeds what is reasonably required for the purpose of the business? In the past, stress has been placed on corporations building up a strong surplus position in order to weather times of stress. Is this very sound corporate policy to be changed by government intervention? To what extent will the responsible Minister listen to sound business arguments as to why no dividend should be paid? Is the department making an immediate review of the position of every company? Or is it just choosing certain companies? If so, on what basis? These are all questions which should be answered in the declaration of policy. By all means let us have a public statement.

Flood Control Needn't Be Expensive

This is the season for floods and much fine talk of flood control. Unfortunately in a few weeks when the high waters have receded, most of the enthusiasm for correction will have receded too.

That's one reason why we haven't got very far in this business of taming our creeks and rivers. Another one, and closely related, is that we think that control is going to cost too much.

Perhaps there has been far too much emphasis placed on heavy costs. Big dams and new artificial lakes make spectacular pictures and projects that cost less than a million dollars or even ten millions dollars get very little mention in the daily papers.

But while some of these expensive undertakings are essential, an enormous amount of conservation and flood control can be carried out at little and sometimes practically no cost, on a community and an individual basis. In many cases, indeed, all that is necessary is the exercise of a little common sense.

Because streams were here before roads a lot of villages, towns and cities in Canada straddle them. As the municipalities have grown, the banks have been jostled closer and closer together, sometimes actually closed over and what was once a clear, running stream turned into a dark, and stinking sewer.

By doing that without any provision for flood control expansion we are simply asking for trouble because there is not enough space for the extra water to spread out or get away quickly. In the smaller places where land values are moderate there is not the least excuse for this foolish crowding. Instead of filling in the local stream with ashes, tin cans, bits of old cars and other rubbish, the banks and bottom lands should be landscaped and turned into an attractive park. Farther out in the country farmers and other land owners can cooperate on an individual basis. Their job lies largely in tree planting, along steep, broken or boggy land along the water courses to hold the snow and slow the spring runoff, and to make sure that bridges and culverts are of ample size to handle ice and floods.

No Place For Compulsion

The Ontario Government followed a wise course in not yielding to union pressure for a compulsory checkoff provision in its new Labor Relations Act.

The field of so-called union security is one where the less government there is the better. This is properly an area of collective bargaining and mutual agreement between management and labor. If an employee wants his union dues checked-off and employer agrees to do it, that's their business.

There should be no compulsion, backed by the force of the law. True, six other provinces have such a provision in their labor code. But that doesn't necessarily make it right.

There is altogether too much interference by government already in the affairs of management and labor. Certain legislative safeguards and guarantees may be necessary, but this isn't one of them.

Travel's Greatest Invention

The strike order to some 2,200 Pullman car conductors in Canada and the United States reminds us to say something we've long felt but never got around to.

It's about the greatest invention in the history of transportation: The airline hostess.

All our readers will know about them and their virtues, and their skills and how much they do to make air travel pleasant and comfortable for all sorts and conditions of men, women and infants.

What a difference it would make to the pleasure and comfort of rail travelers if hostesses were put on the trains!

We're not talking about the porters — that amiable and, for the most part, efficient band who do the hard work of making up berths—nor are they the men ordered out on strike.

The strikers of April 17 are the chaps who straw-boss the porters and help take up the tickets.

One of the most ludicrous wastes in the modern world is that it takes two, the conductor and the Pullman conductor to take up railway tickets. This child's play, this petty little job that in any other business would be handled by one very, very junior functionary, must, because of railway traditions and railway union featherbedding, be pompously performed by a duet with a combined annual income of over $10,000.

That just doesn't make sense. Nor do more than one or two of the hundreds of Pullman car conductors we've encountered have any plus value for the railway in the realm called public relations. Apart from the one or two referred to, the average Pullman car conductor seems to regard his passengers as a deplorable nuisance in an otherwise boring existence—like a carload of hogs they are a wearisome duty.

Now these ornaments of feather-bedding, unrealism and inefficiency want their work month cut from 225 to 210 hours with no cut in the basic wage of $323.20 to $356.20.

And that for the kiddy business of helping somebody else take up tickets and doing a few petty chores!

This work isn't as difficult nor as expert nor does it call for as much application and intelligence as that of a junior stenographer.

Our complaint has nothing whatever to do with the right of workers to organize and to aspire for two Cadillacs in the garage. It has to do rather with the racketeering mentality of bleeding a victim for all he's got; of having no regard for the correlation of wages earned and the service given.

The airline hostess earns on an average $175 a month and works about 85 hours.

But the airline girls give sterling value for their pay. They attend to—even anticipate—the traveler's wants and whims. As part of their assignment they are required to help ease his boredom. They boast about their jobs and, above all, about their airline. We've never yet met a hostess who somehow didn't get us taught that her particular airline was the best in the whole world—and she was ready to sprain a muscle to prove it.

Why does unionism of the railway brotherhood kind continue to produce people who go out of their way to run down the company and to regard the customer—who pays the wages—with a bilious and bored contempt?

Why doesn't some union leader come forth with the revolutionary idea that a part—and a major part—of every union member's job is to help build his company and get it more and better customers?

Why don't these people of power—and responsibility—start trying to grow out of and to cure the mental sickness of hoping for something for nothing and of nursing a persecution complex?

Of those the psychiatric hospitals are full.

U. S. Market Doesn't Open Easily

For those whose hopes are built around a big expansion in trade between Canada and the United States there was a significant little dispatch from Ottawa last week. It was buried away on the back pages of most daily papers except of course, those published in New Brunswick and Prince Edward Island. It stated that Canada agreed in advance to a Washington request which blocked us from shipping an extra 15 million bushels of potatoes to the U. S. market at a reduced tariff. In doing so we gave up most of a concession gained through the Geneva agreements. Pressure, largely from Maine, forced the hands of the Truman Administration.

There was no objection to Canadian potatoes from American consumers. But consumers are not organized and the American potato growers are.

Now if a handful of American growers can force Uncle Sam to change his mind about tariff agreements, certainly other groups can be expected to try the same thing when they think that foreign competition is getting hot. In the end Washington will have to stand firm against such tactics or this continent will find itself in a mess. But the road toward freer trade between Canada and the United States is not going to be any superhighway.

"Out of Sight, Out of Mind"

This summer, unless we are luckier than usual, three million acres of Canadian timber will go up in smoke. That's our average annual loss. In the Scandinavian countries, where climate and tree growth are similar, the fire toll is not more than 25,000 acres.

Why this vast difference?

Mainly, says Robson Black, in a special report from Stockholm (page 15), it's a matter of public interest. In Norway, Sweden and Finland, public interest is high, here it is not. The Scandinavians all live close to their forests, even those in the big industrial centres.

In Canada, unfortunately, the forests usually lie far over the horizon, out of sight of the average citizen. That makes the job of selling forest conservation more difficult but sell it we must or we lose some of our greatest industries.

Napier Moore's Scratch Pad

WALTER HUSTON, the Toronto-born actor who achieved fame the hard way, has taken his final curtain call.

The newspaper stories said that he got his first taste of the theatre when, in 1900, he appeared in a minstrel show presented in Massey Hall by St. Simon's Anglican Church. But, according to what he himself once told us, it wasn't in Massey Hall that he made his debut.

When Huston, an unaffected, friendly man, was playing "Dodsworth" in Toronto, we took him to the Arts and Letters Club. It was his first visit to the club, but as we lunched he said, "I've got a feeling that I've been in this place before, yet it isn't like the picture I have in mind." He referred to this feeling several times. Then he said, "It is the same place, but it's been altered." We explained that the room actually was St. George's Hall, leased by the club which many years ago made extensive alterations, putting in the great stone fireplace and tall Gothic windows. Huston asked, "Before that were the walls panelled high, with small windows above? And was there a platform, lower than your stage is now?" We said that was so. "Then," said Huston, "this is where I made my first stage appearance. I remember now. St. George's Hall! I was in a minstrel show put on by the young men of St. Simon's Church."

We suggested that the club members would be interested in hearing that from him. Huston willingly agreed. He chatted informally about his experiences in the theatre. Then he said, "This is a sort of home-coming. And if you'd like to hear it, I'd like to do something I've always longed to do and haven't yet done." He climbed on to the stage and did a scene from Macbeth; did it extremely well.

* * *

THE LETTERHEAD of an Ottawa confectionery establishment carries the firm's business motto. A man in Sparta, Greece, who, having no English, wrote the proprietor in Greek, must be under the impression that our Capital has long street names. For he carefully printed on the envelope:

Kane's Kandyland,
J. Kanellakos, Prop.
"Our Motto is to Please. Help us to live up to it."
Ottawa,
Ontario.

* * *

THE ONTARIO LEGISLATURE has been informed that in 1949 licensees and direct consumers bought from the province's Liquor Control Board $196,824,562 worth of spirits, wine and beer.

The return didn't point out that this vast sum wasn't all spent on the contents of bottles. A very large proportion went in payment of government taxes.

From a press release issued by the Distilled Spirits Institute, Washington, D. C., we infer that in the United States acceptance of high taxes on spirits is not quite so placid as it is in Canada. In January and February Federal Alcohol Tax Unit agents seized 1,792 illicit stills, compared with 1,509 in the same period last year. "The main reason for the boom in this illicit industry," says the item, "is the high federal tax rate on legal spirits," risen from $3 a gallon in 1940 to $9 a gallon.

* * *

COMETH TIDINGS of a well-to-do lawyer in New York (known to us) who had occasion to hire a new housemaid. The applicant his wife and he agreed was the smartest and best qualified raised one difficulty. She declined to live in. So, good help being hard to get, the lawyer said he would be willing to pay her room rent outside. At the end of the first week he received a bill from one of the swankiest hotels in town.

* * *

DURING THE WEEK END, rummaging through a stack of old music, we came across a song entitled "In 1950." It was written 40 years ago by Nelson Jackson, then a popular English "entertainer at the piano." Among the many verses which used to send audiences into convulsions are these extracts:

Model dwellings, free clothing and six meals a day
Will be found by the State for all those who can't pay.
And what price the poor British Taxpayer, eh?
In 1950.

The Tories by then will have got back to power
In 1950.
And on us their blessings again they will shower,
In 1950.
Mr. Balfour will no doubt continue his plan
Of explaining his meaning as only he can,
And Winston will be quite a nice little man
In 1950.

* * *

AND WHO, do you suppose, looks after the correct pronunciation of English for announcers of the British Broadcasting Corporation? You are right. Two Scots. And they are both very well qualified women—Gertrude Miller and Elspeth Anderson.

Stop Me If —

Bill: "Why do red-headed women always marry such quiet men?"

Joe: "They don't. The poor guys get that way afterward."

* * *

At the last home talent golf tournament, the club secretary caught one of the entrants driving off about a foot in front of the teeing mark.

"Here!" he cried indignantly. "You can't do that. You're disqualified."

"What for?" demanded the golfer.

"Why, you're driving off in front of the mark."

The player looked at the secretary with pity. "G'wan back to the clubhouse," he said tersely. "I'm playing my third stroke."

Cartoon by Grassick

Post Scripts

An Old Family Custom

It was not just chance which put Senator Wishart Robertson in the headlines the other day about Senate reform.

In a much quieter way, Robertson has been moving toward reform of the Senate (internally) since he became government leader in 1945. This year, one of the fruits of that reform came to light when the Upper House swung for the first time to a five-day week and tackled the big job of scrutinizing the 1950-51 federal spending estimates.

MR. ROBERTSON

There will be many more reforms during the life of this present government. When Messrs Robertson and St. Laurent get through in a few years' time, it may be difficult to recognize the Red Chamber.

The itch for politics is well-rooted in the Robertson make-up. In his spacious quarters at the extreme southeast corner of Parliament Hill there's a framed picture of the three Robertsons who have represented Shelbourne County, N.S., at various times since 1855.

The family have always lived in Shelbourne at Barrington Passage since William Robertson, at the age of 17, came to Canada from Renfrew, Scotland, in 1787.

It was a son of the original immigrant, Robert Robertson—a carpenter by trade—who first went to the Legislature in Halifax in 1855. He remained there for 23 years; later became Commissioner of Public Works and Mines.

Robert's son, Hon. Thomas Robertson, first entered the Legislature in 1894. He was named speaker in 1902, the year of his death. But prior to that he had represented the county in the federal House of Commons from 1878 to 1887.

Hon. Wishart Robertson, present government leader in the Senate, first entered provincial politics in 1928, when he was elected to the Halifax Legislature. He withdrew in 1933 following a redistribution of seats in the county; was sent overseas that year by Angus MacDonald as a provincial representative to study British and overseas markets for Nova Scotia timber.

Out of this experience came a long campaign he has waged for nearly a decade to get proper grading for Maritime lumber. Senator Robertson was really in the automobile business, but he got interested in lumbering because so many of his customers were in the lumber trade. When they were prosperous he was—and vice versa.

Wishart Robertson was named to the Senate in 1943, the year in which he was named president of the National Liberal Federation. In 1945 he resigned as federation head; became government leader in the Upper House.

For several years he has chafed under rules and precedents which he inherited from his predecessors. One of these was the lack of work for senators — except for voluminous examination of divorce cases. Common practice was to assemble the Senate Tuesday evening and sit through until Thursday. Then over the long week end, conscientious senators like Haig and Aseltine from the West (who couldn't easily commute) got to work on the big backlog of divorces.

This year there is a new and different drill.

The divorce committee now includes half a dozen of the Senate's galaxy of legal brains recruited from all parts of Canada. It works in two sections each morning from Monday to Friday, inclusive.

Since there isn't enough business from the Commons to keep the Senate in Ottawa all that time, the new plan is to divide the other senators into half a dozen committees to tear apart the new 1950-51 estimates.

That's one of the "reforms" that's been going on inside.

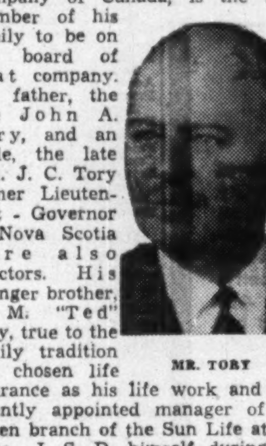
Now Leader Robertson has given a broad hint that the next move will be outward reform.

An obvious and little challenged move would be to introduce a 75-year age limit. More important and difficult will be some new form of representation that will introduce some really live competition both on the floor of the chamber and in nominations.

Senator Robertson and his wife have homes in Ottawa and in Bedford, N.S. One of their two boys is at Dalhousie. The other (a graduate of Acadia University) is now in the lumbering business.

He's the Third

Tall, stocky, energetic and friendly, John Stewart Donald Tory, just elected a director of Sun Life Assurance Company of Canada, is the third member of his family to be on the board of that company. His father, the late John A. Tory, and an uncle, the late Hon. J. C. Tory former Lieutenant-Governor of Nova Scotia were also directors. His younger brother, J. M. "Ted" Tory, true to the family tradition has chosen life insurance as his life work and was recently appointed manager of the Queen branch of the Sun Life at Toronto. J. S. D. himself during his student days held an agency license and for five years was a member of the Sun Life's Honor Production Club.



MR. TORY

Another distinguished member of the Tory family was Dr. H. M. Tory, founder and one time president of the University of Alberta, later president of the National Research Council at Ottawa.

J. S. D. Tory at 46 brings to his new post a broad experience gained not only as a corporation lawyer but also as a director of many large Canadian business and financial firms.

A list of his directorate includes many leading companies representing the pulp and paper, agricultural implement, oil, aviation, merchandising, lumber, automotive, publishing and other industries.

But while his legal practice and his directorates might appear like a full time job for any man, John Tory's active mind finds time for various outside interests covering almost as wide a range as his business affairs.

He is a governor of the University of Toronto, a trustee of Toronto General Hospital, chairman of Connaught Laboratories board, governor of the metropolitan board of the YMCA and a member of the executive committee of the Boy Scouts.

Of these, probably the chief ones are the University of Toronto, the Toronto General Hospital and the Connaught Laboratories.

For a further change of scene he runs a 500 acre farm at King, near Toronto, where he specializes in Aberdeen Angus and Guernsey cattle and Yorkshire hogs. He claims his chief ambition is to confound his friends by getting that operation producing a substantial profit.

John Tory graduated from the University of Toronto in political science, took the gold medal at Osgoode Hall law school in 1927 and in 1928 took a doctor's degree in law and business administration at Harvard University. He was with the legal firm of W. N. Tilley, K.C., from 1929 to 1934. Later, he formed his own legal firm to specialize in corporation law. He is married and has three children, a married daughter and two sons (twins) born in 1930, both of whom are now in the law school at the University of Toronto.

What Others Are Saying

Editorial of the Week

Canada and Atomic Energy

Winnipeg Tribune

Canada's problem in atomic development is complicated by the fact that we have in this field neither a secret nor a monopoly. This nation shares with others the opportunities and the responsibilities of a position on the frontiers of science and of history.

We are pioneers on a new plane, and we know from our pioneering fathers that the pioneer who survives is he who acts wisely. Our leaders must act wisely and we as a nation must act wisely. We must move forward in the new age with clear-eyed courage, knowing our strength and our weaknesses. As a people we must face up to the facts and calculate our risks.

Wisdom is not something that can be packed into a formula, but is an element in life itself. There is nothing new in the fact that our knowledge appears to exceed our wisdom. The mass of knowledge in every age has doubtless offered rocky soil for the tender roots of wisdom. "Knowledge is power," and power begets fear. But power can be wisely used. Man still fears fire; he knows that it is a good servant and a bad master. But though it may sometimes get out of hand, man can call himself master of fire. It is his servant, and he is entitled to hope that by courage and patience, and above all wisdom, he may some day make atomic energy also the servant of mankind.

Other People's Views

GOVERNMENT DEPARTMENTS like private business should be charged postage, and the overhead office expenses says the **Ottawa Citizen.** If this was done, it is argued, "the tendency would be not to use more than is absolutely necessary."

TOUGHER JUSTICE is approved by the **Chatham News** which says: "The heartfelt thanks of an exasperated public are due the Montreal judge who a few days ago took a resolute stand against concurrent sentences. 'Two crimes are two crimes,' the jurist declared, in effect and, treating them as separate crimes, he made the sentences consecutive."

TOO MANY PEOPLE are relying on drugs to put them to sleep says the **Halifax Chronicle-Herald.** "They would sleep as well, and with more benefit to themselves, if they tried a glass of warm milk or a breath of fresh air or a brisk walk before going to bed. Some of them would be better off to revise their daily schedules, to avoid much of their frenzied, nervous effort and find, instead, some honest hard work."

BIG BUDGETS by the provinces hardly cause a ripple nowadays, points out the **Ottawa Journal.** "Actually the combined budgets of our provinces are now far in excess of what the Dominion's budget used to be before the last war, and nobody, apparently, bothers about it. The odd thing, though, is that while this expenditure soars some people still are naive enough to talk about lower taxes."

INCREASING THE OUTPUT of arts graduates is questioned by the **Montreal Matin.** "It does not seem necessary to us to multiply thoughtlessly the number of bachelors (of Arts). There is a whole host of activities in which young people, provided with a good early training in the higher schools, to be completed by courses in science and the applied arts, can employ their talents. In other words, would it be wise to train a numerous generation of bachelors in arts who would end up by cluttering up the labor market and would themselves be the first victims of a laudable diffusion of the higher learning?"

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British Complain We're Too Critical; Worsted Men Threaten to Quit Market

(Continued from page 1)

supplying us for as long as I can remember will cut us off immediately."

And he showed me correspondence from one of the largest mill operators in the world to prove his contention that he was being treated "utterly contemptuously."

This letter stated plainly that "the federation" (of British woolen and worsted mill operators) had seriously considered recommending a withdrawal from the Canadian market; that his particular company would take no more nonsense in the matter of "wholesale returns" of goods which, anyway, he could sell anywhere else in the world to customers who'd be only too glad to get the stuff and pay better prices. In short "take it or leave it."

The Flaws Show Up

In the examining room attached to this factory I saw pile upon pile of worsteds, gabardines, serges, tropicals, each piece (about 60 yards) of which was festooned with 40-60 short strings, each one telling a tale of defect, some serious, some minor.

Most of the pieces I handled were beautiful to the touch, breathed excellence as I lifted a corner.

But run the piece across an examining rack and the story was different. As the cloth unfolded, here was a fault in pattern, a check that wasn't properly aligned, a thick thread that had fouled the soft weave, knots, whorls, cross threads, dyes that weren't true.

We took a piece that had yet to be examined. As the defects appeared, so on the cloth went an examiner's chalkmark. At the edge of the material he inserted a string to mark the defect in the bundle. When he first took the piece it contained but six mill examiners' strings. When he had finished the examination for The Post more than 60 (an average of one per yard) had been detected.

"There were 250 pieces in that shipment . . . 98 had to be returned . . . 42 out of 50 in another . . . 14 in 100 . . . only eight in that batch of 90.

"Over all, we are currently rejecting an average of 15% of all shipments we receive. The prewar average was 1%, never higher than 2%."

Another major importer, though much more sympathetic toward the British, equally insisted on anonymity in talking to The Post, also indicated that he was nervous of British reaction.

"I don't care to stick my neck out on this. For one thing I don't want consumers to get a wrong idea about British goods, for it's plain we have to do our part in pushing them to help the overall situation. Sure, I'm getting bad shipments and I'm concerned about them. I'm rejecting about 6% and recently had to return 20% of one shipment."

The British View

British trade officials to whom The Post talked confirmed that the Canadian clothing industry had many justifiable complaints to make about some of the goods they are receiving; indicated also that several long-established British mills were considering pulling out of the Canadian market, a few had already refused to do any more business in Canada.

"A regrettable situation," said a U. K. trade officer, "and this office is ready to investigate and act on all complaints as we have done in the past." This official admitted that in a few cases not even the official intervention his office represented was able to get satisfaction for the Canadian customer. He reported also that even visiting British textile executives who had seen some of the questioned goods admitted that these goods — from reputable mills — should never have been shipped.

Officials of the British Textile Agents Association, while admitting that there was substance to many of the Canadian complaints, cautioned against a blanket condemnation of the British industry as a whole. "There are many British mills," they asserted, "that can and will do business on Canadian terms." They agreed, however, that price might be a situation in regard to larger Canadian factories.

They also alleged that in some instances Canadian customers were asking the impossible of British mills in some of their demands for specific materials and patterns that simply could not be satisfactorily produced. (The clothing men, on the other hand, maintain that their standards today are below prewar).

Their understanding of the situation was that it was basically a labor problem and a spinning mill supply problem.

The spinners, they stated, are selling their best yarns to other than the home British weaving mill market. On top of this, the weaver was also up against a problem in not being able to get the skilled labor he needed to put out the traditional top-quality job. And the British Government gave absolutely no incentive to the mills to do a job in the North American market.

"Furthermore," they stated, "a good many of the British manufacturers have been scared of nationalization. This slowed down any development plans they had; in some cases induced a don't-care attitude toward any but the lush sterling-area markets.

"But don't write the young men off. Many are doing a thoroughly good job here — maybe not in the big manufacturing clothing trade — but over all a commendable, merchandising effort that's eminently satisfactory."

Keeps Prices Up

It's to be noted that the situation applies in major part to the large factory clothing producer. To the custom tailor and the small factory no great problem exists. These producers can cut around the defects and since they're not operating on a big line production do not have to make so many rejects as the large producer to whom an unbroken production line using every inch of cloth is essential. A large Toronto factory, for example, bases its cost figures on an average allowance of 3⅛ yards of material per suit; the average for the custom tailor is 3½ yards.

All this has a direct effect on the consumer in keeping clothing prices up. And in no small measure it's growing consumer resistance that's brought the situation to a head. For it's becoming increasingly evident that a large portion of consumer returns to the factory are for fabric defects.

The factory clothier gets it coming and going.

In the first place there's the uncertainty of British supplies, not only on account of this growing quality problem but a continuing poor record on delivery dates.

With a combination of both, the factory is unable to plan its merchandising; cost factors become a matter of hazardous estimating.

If cloths do not arrive in time for the season for which they were ordered ("they quote us nine months but we generally reckon on 12-15 months" was one Toronto report) merchandising plans have to be scrapped. If the goods are on time but containing a large percentage of defective cloth, plans have to be modified.

If the defective cloth is absorbed, the production line is slowed down. For example: from a piece with no more than a nominal number of defects, the factory cutter can cut 10 suits a day (labor cost, $1.20 a suit); but give him one of those pieces mentioned above tagged in 60 places and he'll be lucky to get four out in the day (labor cost $3 a suit).

Then there's the problem of replacements for rejects. Supposing the factory jobs the rejects out as seconds rather than return them to U. K. Those are materials on which he must take an initial loss in the jobbing out and a further loss on replacement since the goods he now orders will almost inevitably cost him more than they did a year ago.

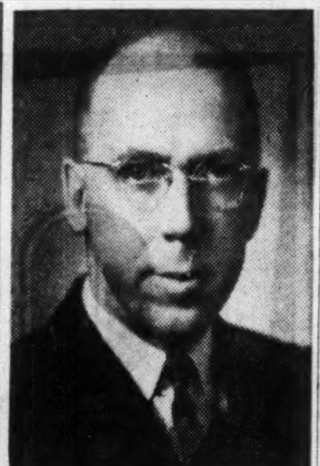
And so it goes on.

This week the clothing men were planning a top-level approach to the British on the problem through their association, Associated Clothing Manufacturers Inc. They were planning to appoint a committee to speak for the industry as a whole to the British mill trade association; were presenting their case also to the Canadian office of the Federation of British Industries and to the Dollar-Sterling Trade Board headed by James Duncan.

They are not overly optimistic about getting results.

Meantime, for the long term, some alternatives to British sources of supply are being looked at.

U. S. mills, it's noted, are hungry for orders; Canadian mills, it's thought, might well further expand production for Canadian needs; and what about synthetics?



A. G. SULLIVAN

has been appointed general manager, Foundation Maritime Ltd., Halifax. He has been secretary, Foundation Co. of Canada, Ltd.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

NORTHWESTERN UTILITIES LTD., Edmonton, Alta., reports a 1949 net profit of $943,572, up 7.2% from 1948's $879,866. Revenue from gas sales rose $450,819 to $3,397,684, but most of this was absorbed by higher operating expenses of $1,707,031 ($1,359,561) and taxes.

Gross capital additions and improvements, other than gas rights acquired, amounted to $3,113,478, boosting the total since 1940 to $15,159,722. Budget for 1950 calls for another $4,034,000.

During the year, Imperial Oil's interest in the natural gas lying in the now producing sands of the Viking-Kinsella field was bought for $2,890,000, equal to less than 1c per M.C.F. of the estimated reserves acquired. President F. A. Brownie states that to reinforce further the gas reserve situation and conserve the dry gas of the Viking-Kinsella field, directors are engaged in settling a contract with Imperial Oil to use in its system the gas of the Leduc field.

Support, including financial assistance, if advisable, will be given to Alberta Inter-Field Gas Lines Ltd., a newly formed company which proposes building an Alberta province-wide natural gas gathering system, to be integrated with the Alberta gas distributors and to deliver for export such quantities of gas as are authorized.

To finance the Viking-Kinsella purchase and current and pending capital expenditures, the company sold at par $5 million 3⅝% first mortgage bonds due Dec. 15, 1971 and $3 billions 3⅞% unsecured promissory notes due Sept. 1, 1969.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net sales	$3,397,684	$2,946,865
Net earnings	1,808,297	1,852,327
Less: Amort. res.†	198,614	176,034
Bond int.	221,998	220,030
Bd. disc. & exp.	18,908	18,852
Other interest	15,290	......
W/o leases, etc.	10,000	10,000
Stock issue w/o	9,780	9,780
Pre. on bds. red.	2,994	3,000
Income tax. res.	387,141	334,765
Net profit	943,572	879,866
Less: Pref. divds.	140,000	140,000
Com. divds.	459,000	412,500
Surplus for year	344,572	327,366

†In addition deprec. of $34,319 in 1949, $23,945 in 1948, included in oper. accts.

Times All Interest Earned:		
Before amort.	7.62	7.51
After amort.	6.78	6.71
Earnings per Share and Dividend Record:		
4% Pref.: Earned	$26.96	$25.14
Paid	4.00	4.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$432,588	$819,057
Accts., etc., rec.	498,313	411,307
Invests.*	198,458	203,604
Inventories	881,514	586,024
Total curr. assets	2,010,873	2,019,992
Dep. with trustee	3,971,686	836,539
Misc. assets▲	137,463	172,306
Def. charges	323,996	323,119
Fixed assets	20,888,975	15,292,786
Total assets	27,332,993	18,644,742
Accts., etc., pay.	407,060	236,236
Taxes pay.	387,389	325,317
Total curr. liab.	794,449	561,553
Consumers' dep.	246,667	209,791
Funded debt	14,256,200	6,400,000
Dep. & amort. res.	2,728,787	2,528,231
Other res. & advs.	86,629	92,405
Capital stock	7,750,000	7,750,000
Surplus▲	1,470,261	1,102,762
*Mkt. val.	906,160	929,660
▲Incl. ref. EPT	113,750	148,043
Working capital	1,216,424	1,458,439

BRITISH AMERICAN OIL CO. volume of refined products sold in Canada in 1949 was highest in company's history at $113,415,843. Consolidated net profit amounted to $7,879,684, equal to $2.62 a share. Of this amount $4,483,081 came from Canadian operations (including a dividend of $180,000 from U. S. subsidiaries) and $3,591,613 from U. S. operations. Earnings in 1948 were higher for both divisions—$5,027,605 for Canadian operations and $7,275,850 for U. S. operations.

Sharp curtailment in crude production, particularly in Wyoming field, was big factor in downward earnings of U. S. subsidiaries. The heavy fuel oil inventory position which was largely responsible for well cut-backs has improved and demand for company's Wyoming crude is returning to normal. In the case of Canadian operations, increased costs and other factors were only partly offset by higher prices.

During 1950 the company will benefit from the increased capacity of the Montreal East Refinery and will have four refineries in operation. A new refinery being built at Edmonton will process crude from company's own wells and will absorb a substantial part of production from wells owned by independent operators. The company owns or has a joint interest in producing wells in the Turner Valley, Leduc and Redwater fields, controls substantial oil reserves in Alberta and holds reservations on over 1,300,000 acres. The U. S. producing company owns wholly or in partnership wells in 10 states. The largest single oil reserve owned in the U. S. is the Steamboat Butte field in Wyoming which has already produced over 10,000 bbls. per day and is believed capable of more than sustaining this rate of production over a long period of time through further development and scientific control of reservoir conditions.

ESMOND MILLS LTD. net profit for 1949 was $89,142, compared with $104,132 in 1948. Drop is attributed to increased manufacturing costs and depreciation provision, as sales were well maintained.

First mortgage bonds were reduced by $26,000 through the sinking fund, 565 5% preferred shares were redeemed and fixed assets were increased by $42,454, states President H. L. Taylor.

INCOME ACCOUNT

Years Ended:	Dec. 31 1949	Jan. 1 1949
Operating profit	$227,212	$205,329
Less: Deprec.	72,567	40,859
Bond int.	16,860	1,490
Income tax	54,067	60,455
Add: Asset prof. (net)	424	1,607
Net profit	84,142	104,132
Less: 5% pref. divds.	14,324	14,838
Com. divds.	....	400,000
Surplus for year	69,818	*310,706
*Deficit.		
Earnings per Share and Dividend Record:		
1st pref.: Earned	$5.91	$7.04
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at:	Dec. 31 1949	Jan. 1 1949
Cash	$131,243	$96,070
Accts. rec.	240,886	223,649
Inventories	339,139	346,090
Total curr. assets	711,268	665,809
Misc. assets▲	50,599	63,043
Inv. & adv. subs.	5,000	5,000
Fixed assets*	573,017	602,337
Total assets	1,339,884	1,336,189
Accts., tax., etc., pay.	126,771	156,249
Divds. pay.	3,559	3,700
Total curr. liabs.	130,330	159,949
Funded debt	374,000	400,000
Deferred liab.	5,000	5,000
Capital stock	642,992	654,292
Capital surplus	15,300	4,000
Earned surplus	172,262	112,948
▲Incl. ref. EPT	4,159	14,831
*After depr. of	297,718	225,942
Working capital	580,938	505,860

ABOUT YOUR TAXES By STUART THOM, LL.B.

Profits on Egg Deals Ruled Taxable Income

The Tax Board's decision in W. G. Brown's appeal is one of the two cases which sparked the recent furore about taxing capital gains, the other being McDonough's appeal decided in the Exchequer Court.

Brown was an employee of a packing company in charge of receiving and shipping eggs. In 1946 in addition to his regular duties he made 45 purchases and 33 sales of frozen eggs on a wholesale basis for his own account, from which he realized a net profit of over $4,000. He also received some $1,200 in commissions on sales made for a broker. The Board addressed itself to the question of whether he had engaged in the business of dealing in eggs and decided that he had. The profits of such business accordingly were taxable income.

The recital of facts in the judgment is so sketchy that the case is not as valuable a reference as it might otherwise have been. Moreover, in discussing the law, emphasis was placed upon Brown's intention to make a profit. It is not clear whether the Board's rule is that every transaction undertaken with a view to a profit will be regarded without further argument as carrying on business. If this is the rule, it will be a very definite extension of the taxing power.

* * *

Conflict Between IWTA and Accountants

D's case draws attention to the conflict which existed under the Income War Tax Act between sound accounting practices and the principles of income tax.

D's crime was to set up a reserve for trade rebates for which he might become liable to quantity purchasers. His business was that of wholesaler and distributor of roofing materials and the custom of the trade was to calculate the rebate to retailers on the basis of the previous year's purchases. D's reserve of $5,000 in 1947 was disallowed, but the evidence brought out that the Department would permit him to deduct from his 1948 income the amount he actually rebated in 1948.

The decision of the Board upholding the disallowance of the 1947 reserve could hardly have been otherwise in the face of section 6 (1) (d) of the IWTA. The exceedingly interesting question is whether the case would have been decided the same way under the new Act.

Former section 6 (1) (d) is now section 12 (1) (e) and forbids the deduction of reserves "except as expressly permitted." Section 4 in the new Act, however, says that income from a business is the profit therefrom and there is ample judicial authority for the proposition that profits are to be determined in accordance with generally accepted accounting and business practices.

The Board admitted that D's reserve in 1947 followed sound accounting practice. But the application of section 4 is "subject to the other provisions" of the Act, one of which is section 12, and section 4 may well be little more than a gesture of goodwill. Until the issue is raised and decided, there is always room for hope, but more likely than not D's case is good law under the new Act.

The Tax Board's habit of identifying anonymous appellants by letters of the alphabet is apparently one of policy. The alphabet has only 26 letters and there will be many more taxpayers anxious to hide their identity. At the best, the alphabetical scheme of consecutive numbers might well be established before the situation gets out of hand.

* * *

Appeal Founders On Technical Snag

The appeal of McTaggart, Hannaford, Birks & Gordon Ltd. foundered on a technical snag, but nevertheless gave Mr. Fisher an opportunity of expounding the official interpretation of the dividend exemption provision of the old Act.

In 1946 the Company suffered a loss in its operations before taking Canadian dividends into account, but had a profit if these dividends were included as income. The Department did not make any assessment for taxes in that year, but the Company sought a declaration or at least an admission that there had been an actual loss which could be set off against profits in other years under section 5 (1) (p). The question having been raised, the Department refused to admit that there had been a loss within the meaning of the Act.

The appeal was dismissed on the ground that the Board's jurisdiction was only to hear appeals from tax assessments and that as there had been no tax assessment in 1946, the Board had no interest in the appeal.

Mr. Fisher went on to deal with the argument that there had been an actual loss and denied that such had been the case. He expressed the opinion that dividends from Canadian companies constituted income within the meaning of the Act and that the only effect of section 4 (n) was to exempt such income from tax. Where these dividends converted an otherwise loss into a profit for the year, the exemption only extended far enough to reduce the profit to zero. It did not go beyond that to create what he called a fictitious loss.

In the new Act the method of computing a loss is laid down in section 127 (1) (w) and amounts deductible in respect of dividends from Canadian companies are not included on the income side. There is reason to think that the appellant would have made its point under the new Act.

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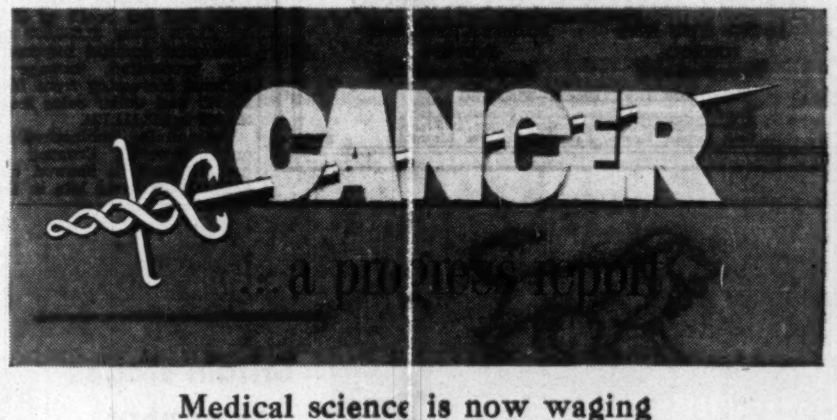


Medical science is now waging its greatest fight against cancer

As the research attack on cancer progresses, discoveries are constantly being made that offer hope of further gains against this disease.

Today, *if diagnosed early and treated promptly and correctly*, authorities say that seventy-five per cent of cancers of the breast, eighty per cent of cancers of the mouth, and over ninety-five per cent of cancers of the skin are curable. Cancer of other parts of the body also is being treated with greater success.

Progress in new treatments

Doctors and other scientists are steadily working on the major aspects of cancer. At present, efforts are being made to perfect a simple, quick test to detect the disease early. One such test was recently announced. It is based upon the discovery that the blood serum of persons with cancer has different properties than that of normal persons.

Studies are continuing on the use of radioactive isotopes in the hope that ways will be found to destroy cancer cells without harming normal cells.

Research on the use of specific drugs is progressing. Some drugs have shown such promise as cancer weapons, that authorities have predicted that the chemical control of the disease may be possible.

The part played by the body's chemical hormones in causing cancer is more clearly understood than ever before. This may make possible new and more effective treatments for some types of the disease.

Equally encouraging are the improvements in surgical techniques. Operations that were once considered too hazardous may now be performed safely.

Future progress in the fight against cancer depends not only upon continuing scientific research but also upon growing public awareness of the necessity for early detection and treatment.

The 7 "danger signals" that you should know

1. Any lump or thickening, especially in the breast, lip, or tongue.
2. Any irregular or unexplained bleeding.
3. A sore that does not heal, particularly about the mouth, tongue, or lips.
4. Noticeable changes in the colour or size of a wart or mole.
5. Loss of appetite or continued indigestion.
6. Any persistent hoarseness, cough, or difficulty in swallowing.
7. Any persistent change in normal elimination.

Pain is not usually an early symptom of cancer

Your part in fighting cancer

In view of the progress being made by medical science, annual physical examinations are more important than ever in safeguarding against cancer, especially for those over thirty-five years of age.

Authorities urge everyone to learn the "danger signals" of cancer that are listed at the left. Fortunately, in the majority of cases, they turn out to be symptoms of conditions other than cancer. However, it's always wise to seek prompt medical attention should any of them occur.

There are still no "quick cures" for cancer. The only proved weapons which medical science now has against this disease are X-rays, radium, and surgery — which may be used singly or in combination.

As medicine's knowledge of cancer increases, there is hope that the time may not be too far off when the disease will yield its secrets and thus cease to be a major threat to life. Meanwhile, with today's weapons — promptly and properly used — authorities predict that an ever increasing number of cancer victims may be saved.

Metropolitan Life Insurance Company
(A MUTUAL COMPANY)
Home Office: New York
Canadian Head Office: Ottawa

Please send me a copy of your free booklet, entitled "There is Something You Can Do About Cancer" 40-Y.

Name ____________

Street ____________

City ____________ Prov. ______

Plus values in a "PLUS" market!

Montreal has added 900 new factory buildings in the past six years, and gross value of production has jumped 200 per cent over pre-war averages, with capital investment in industry at $50,000,000 annually. In addition, weekly payrolls in Montreal have reached $11,000,000, in recent months, while wholesale sales topped the $2,000,000,000 mark in 1949.*

Here's more striking evidence of Montreal's amazing development during the past few years, and why Montreal is regarded as one of the "standout" markets in North America. It is a city you cannot overlook in your sales plans — a *must* on your advertising schedule!

Among the newspapers serving Montreal's two language groups—ONE paper—the Star—provides complete, effective home coverage of the English-speaking population.

We will be glad to supply additional information on the Montreal Star and the Montreal market, on request.

**Figures from the Montreal Economic and Tourist Development Bureau.*

The Montreal Daily Star
"Canada's Greatest Newspaper"
MONTREAL CANADA

Good Plant Appearance
IS GOOD BUSINESS

✓ We can take a badly weather-beaten building and make it look like new. A real face-lifting with "Gunite" will not only greatly improve its appearance but renew its structural soundness.

✓ At no obligation to you, we will be pleased to discuss the methods we employ to restore and improve buildings or other structures . . . anywhere in Eastern Canada. Just Call:

G&W Ltd. Inc. 1931

GW3R

GUNITE AND WATERPROOFING LIMITED
Toronto MONTREAL Halifax

Sask. Rent Control Law Takes Over From Ottawa

From Our Own Correspondent

REGINA — Saskatchewan's tenant dwellers this month ruefully realized they didn't escape rent hikes when the province undertook to take over rent control from Ottawa; that increases in some cases may be steeper than they like, though possibly well below the 18 and 22% recently allowed in eight provinces under federal control (Newfoundland was the original self-controller of prices and rents).

Apartment and house landlords in Regina, Saskatoon, Moose Jaw and several smaller centres were believed moving in substantial numbers to apply for 10 to 15% increases to the provincial government's existing rentals mediation board and under a Leasehold Regulations Act effective April 1. Unofficially, it's understood the board and government favor increases in deserving cases but only up to or around 10%; that most landlords would be satisfied with such an increase. The mediation board has been active in the field of commercial rents since Ottawa stepped out of it in 1948.

New Building Exempt

The Saskatchewan law — like federal control which is slated to expire a year hence — is temporary in intent and won't apply after houses supply catches up, said Attorney General Corman during passage of his bill (No 13, 1950). Because it is temporary, Mr. Corman said in second reading, the legislation "provides for the greatest possible measure of voluntary cooperation between landlord and tenant compatible with necessary uniformity and equality."

Accommodation built or rented after April 1 is exempt, this to encourage rental building. In its intent, that and many other provisions are borrowed from the federal legislation, regulations and orders. Not covered either are farmhouses, rooming or boarding houses, nor hotels, clubs, tourist camps, religious or educational institutions. And the mediation board has power to exempt any class of housing or any part of the province.

"Any tenant or landlord who doesn't 'play the game' will be dealt with severely," Mr. Corman warned. "Neither the Government nor board intends to guarantee permanency of occupation to tenants who become objectionable."

Even where landlord and tenant reach an amicable agreement on new terms, the lease must nevertheless be submitted for approval (automatic) by the board.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BERENS RIVER MINES plans to increase its efforts to find a new property this year, is retaining three geologists in British Columbia and one in eastern Canada.

Excess of current assets over current liabilities amounted to $821,885 at the end of 1949, a decrease of $67,008 but is stated to be more than offset by $72,216 salvage cost of equipment during the year.

Sales of equipment amounted to $73,234 during the year but only a small part of the mining equipment, none of milling and hydro-electric equipment had been sold at year end. Exploration expenses written off amounted to $47,938.

Negative results were returned in a Cobalt venture but at Lake Athapapuskow, Northern Manitoba, a marginal grade zone 650 ft. long averaging 1.69% copper, 1.79% zinc, 0.032 oz. gold and 0.86 oz. silver across 12 ft. was shown in drilling. Drilling was resumed on this property early this year.

Loss for 1949 was $80,203.

GREAT LAKES PAPER CO. reports 1949 net profit of $1,750,240, off 11.8% from $1,983,800 in 1948. Newsprint demand required capacity production, tonnage manufactured increasing from 129,980 to 142,745 and dollar sales from $11,525,210 to $13,111,124.

Demand for unbleached sulphite pulp, however, dropped sharply and although it showed considerable improvement late in the year which has continued into 1950, production fell from 45,326 A.D. tons to 26,468 A.D. tons. Dollar sales of sulphite pulp and other products were 50.1% lower at $2,574,458.

Production and delivery costs continued their upward trend. Although plant modernization effected substantial economies in mill operation, these were offset by higher material costs and freight rate boosts in the U. S. and Canada.

Capital expenditures included $548,015 for mill improvements and $370,212 for woodlands developments and logging equipment.

President W. E. Rowe states that strong current demand for newsprint and pulp products "lends encouragement for anticipation of satisfactory earnings" in 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net sales	$15,685,582	$16,685,967
Net oper. profit	4,547,662	5,161,250
Add: Inv. int.	......	26,473
Less: Depletion	151,347	190,809
Depreciation	1,152,176	948,490
Bond interest	219,525	213,356
Invest. res.	......	303,691
Tax prov.	1,295,000	1,530,000
Add: Prof. on assets	20,626	•17,577
Net profit	1,750,240	1,983,800
Less:		
A & B divs.	352,749	361,079
Com. divs.	460,000	640,000
Surplus for year	937,491	982,721
•Loss.		
Times Bond Interest Earned:		
Before deprec.	20.03	23.42
After deprec.	14.78	18.97
Earnings per Share and Dividend Record:		
Class A & B	$9.12	$10.15
Cl. A: Paid	2.50	2.50
Cl. B: Paid	1.20	1.20
Common	3.49	4.06
Paid	1.15	1.60

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,474,256	$779,036
Accts. rec.	1,821,053	1,784,225
Invent & adv. woods oper.	4,907,621	6,103,695
Total curr. assets	8,202,930	8,666,956
Cap. expd. fund	500,000	......
Ins. dep.§	159,392	181,709
Misc. assets	215,943	218,077
Investments	50,000	50,000
Fixed assets*	8,148,311	8,573,548
Timber limits°	2,935,239	2,975,918
Total assets	20,211,815	20,666,208
Bank loan (sec.)	131,800	129,200
Accts. & tax pay.	1,386,433	2,302,507
Bd. int. & s.f.	372,944	447,354
Total curr. liab.	1,891,177	2,879,061
Funded debt	5,760,000	6,022,000
Conting. res.	627,311	627,311
Capital stock	7,177,600	7,319,600
Surplus	4,755,727	3,818,236
*After depr. of	10,875,058	9,755,479
°After depl. of	1,361,056	1,196,492
§Incl. in curr. assets in co's report.		
Working capital	6,311,753	5,787,895

AUTO ELECTRIC SERVICE CO. net profit of $165,129 for 1949 showed a 10.7% drop from 1948's $184,900. Sales were at a record high and except for restriction in U. S. imports, sales of certain products would have been higher.

Chief item in the $111,089 increase in fixed assets was the new $180,000 building of Beattie Auto Electric Ltd., Winnipeg which, to Dec. 31, had cost $96,732.

Operations of Canadian Aviation Products Ltd. remain comparatively inactive, reports President G. J. Beattie, pending increased aircraft equipment service as and when demand warrants.

Although import restrictions continue to restrict the sales of some products, over-all demand is healthy and points to well maintained sales volume in 1950, it is stated.

Directors feel that the common dividend payment policy should continue to be governed for the time being not only by profits but by requirements of current building programs and strengthening of the working capital position.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$297,185	$310,750
Less: Deprec.	24,824	10,891
Prov. for taxes	104,347	107,969
Life ins. prem.	2,885	6,990
Net profit	165,129	184,900
Less: Cl. A divds.	15,000	15,000
Com. divds.	40,000	40,000
Surplus for year	110,129	129,900
Earnings per Share and Dividend Record:		
Class A	$5.50	$6.16
Paid	0.50	0.50
Common	1.50	1.70
Paid	0.40	0.40

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$20,851	$29,307
Accts., etc., rec.	438,023	396,110
Invests.♦	9,880	......
Inventories	888,238	748,288
Total curr. assets	1,356,992	1,173,705
Misc. assets▲	61,812	71,167
Fixed assets*	263,283	152,193
Total assets	1,682,087	1,397,065
Bank loans	86,099	142,112
Accts., tax., etc., pay.	386,636	289,445
Total curr. liabs.	472,735	431,557
Def. bank loans	77,112	......
Mortgage pay.	48,492	......
Conting. res.	100,000	100,000
Capital stock	22,000	22,000
Earned surplus	961,748	843,508
♦Mkt. value	9,967	......
*After depr. of	106,277	84,088
▲Incl. ref. EPT	32,202	46,433
Working capital	884,257	742,148

GOODYEAR TIRE & RUBBER CO. OF CANADA: An additional 1,259 4% cumulative redeemable sinking fund preferred shares have been purchased, redeemed and cancelled, reducing preferred outstanding to 155,139 shares.

Building Products Limited
A Sound Industry

This Company manufactures asphalt shingles, roofing felt, wallboard, insulating materials, waterproofing paint, etc., and is chief distributer of Fiberglas insulation. Products are sold in the low-price housing field, and there is always a steady demand for them. A summary of the Company's affairs appears in our April "Investment Securities Review."

"Investment Securities Review"
Free on Request

"Investment Securities Review" also contains approximate prices, with interest and dividend income, from important Canadian Government, Municipal and Corporation bonds and the preferred and common stocks of leading banking, public utility, industrial, mining and oil companies. A useful ready reference. Write for a copy now.

JAMES RICHARDSON & SONS
ESTABLISHED 1857
80 KING STREET WEST, TORONTO, Phone ELgin 8361
BOARD OF TRADE BLDG., MONTREAL, Phone MArquette 1331
EXECUTIVE OFFICES—WINNIPEG
Branches: Vancouver, Victoria, Calgary, Edmonton, Regina, Saskatoon, Moose Jaw, Lethbridge, Portage La Prairie, Swift Current, Kenora, Kingston, Toronto, Montreal
50-3

THE BRITISH TOOL, MACHINE TOOL AND SCIENTIFIC INSTRUMENT SECTION, CANADIAN INTERNATIONAL TRADE FAIR
TORONTO, MAY 29 - JUNE 9, 1950

Britain stages a mighty exhibition of her engineering skill

★ In the design and production of first quality tools and scientific instruments, Britain was the pioneer and still has no superior. At Canada's great International Trade Fair, Britain stages the proof of it — the mightiest assemblage of British tools, machine tools and scientific instruments ever seen in the New World — May 29 to June 9.

In the Automotive Building of the Fair, ninety-five famous British firms, representing seven great trade associations, are showing their products.

Leading British technicians — men versed in every aspect of modern tool and instrument technology, men of wide and practical experience will be present to hear and help you solve your problems. Here is your chance to see how British engineering know-how can help you.

MACHINE TOOLS • WOOD-WORKING MACHINES • PORTABLE ELECTRIC AND PNEUMATIC TOOLS • FURNACES AND HEAT TREATMENT EQUIPMENT • ENGINEERS' SMALL TOOLS • JIGS AND FIXTURES • MEASURING APPARATUS • GAUGES • MACHINE TOOL EQUIPMENT • HAND TOOLS • SCIENTIFIC INSTRUMENTS — these are a bare outline only of all this great exhibit offers!

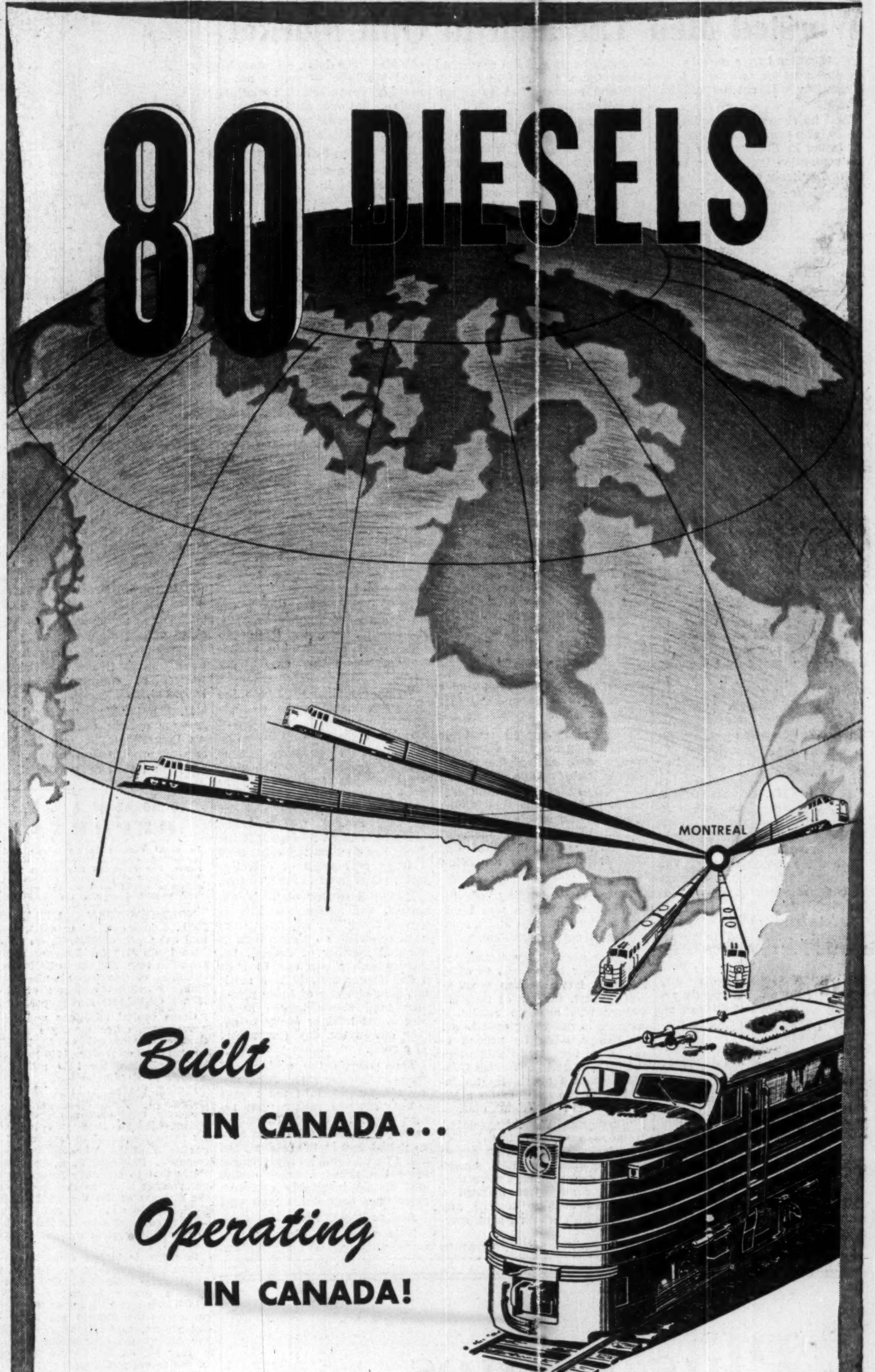
★ See how the job is done — and done better! See how it is gauged and inspected for accuracy. Over two hundred and fifty machines will be powered and actually working at their tasks. See at first hand and close range their ingenuity, their accuracy, their high productivity.

A pre-Fair catalogue covering the activities of all the Exhibitors is now being mailed. If this does not reach you by the end of April, write to Walsh International Advertising Limited, 1804 Victory Building, 80 Richmond Street West, Toronto, Ontario, for a free copy.

The exhibit is organized by the following British Associations:

MACHINE TOOL TRADES ASSOCIATION
•
GAUGE & TOOL MAKERS' ASSOCIATION
•
SCIENTIFIC INSTRUMENT MANUFACTURERS' ASSOCIATION OF GT. BRITAIN LTD.
•
FEDERATION OF BRITISH HAND TOOL MANUFACTURERS
•
NATIONAL FEDERATION OF ENGINEERS' TOOL MANUFACTURERS
•
PORTABLE ELECTRIC TOOL MANUFACTURERS' ASSOCIATION
•
BRITISH COMPRESSED AIR SOCIETY

For hotel accommodation in Toronto write to the Fair Administrator, Canadian International Trade Fair, Toronto, Ontario.



From Prince Edward Island to Vancouver, Canadians are witnessing today one of the most epoch-making changes in railway operations. Dieselization—first, of yard switching and freight transfer, and now of freight and passenger service—is changing the face of our railways.

Already, more than 80 diesel-electric locomotives built in Canada by MLW-GE are hard at work on Canadian railways and for Canadian industries. Their performance record is a principal reason why the progressive Canadian railways are planning to dieselize many of their operations.

Their performance record also is the reason behind orders for more than 50 big diesel-electric streamliners which MLW-GE are building now for Canadian railways. Built in Canada, using Canadian resources and Canadian suppliers, these locomotives will set new standards in earning power for the Canadian railways.

50-10-8

Electrical Components Manufactured by **CANADIAN GENERAL ELECTRIC COMPANY LIMITED**

ALCO-DIESEL Engines Manufactured by **DOMINION ENGINEERING WORKS LIMITED**

MONTREAL LOCOMOTIVE WORKS LIMITED
MONTREAL-QUEBEC

Director

J. H. STEVENS

General Products Mfg. Corporation Limited announces the appointment of Mr. J. H. Stevens, London, Ontario, to its Board of Directors. Mr. Stevens is Vice-President of Empire Brass Mfg. Co. Limited, Vice-President of Pumps & Softeners Limited and a Director of City Gas Company of London.

CLASS A

WEEKLY NEWSPAPERS

Concentrate locally by market-to-market coverage. 61 newspapers give your advertising a readership bonus over other media.

"Class A" Weeklies of Canada

H. A. Sandison, 302 Bay St., Toronto EL. 2832

Eastern Rep., 432 Ontario St. W., Montreal 2. LA. 8214

Western Rep., 423 Hamilton St., Vancouver. MA. 1857

Claims Gov't. Is Neglecting Fraser River

The Federal Government does not give the attention to the Fraser River that its traffic demands while it spends millions to keep the St. Lawrence River channel open; W. B. Lanigan, president of Pacific Coast Terminals Co., declares in the company's annual report. This reacts against the Port of New Westminster, he claims.

[The Federal Government's estimates for the fiscal year ending March 31, 1950, indicated the Transport Department would spend $3,124,055 capital in that fiscal year ($3,492,000 in previous fiscal year) on the St. Lawrence Ship Channel — contract dredging on St. Lawrence River and Montreal Harbor, including cost of administration—and $622,258 ($495,278) on St. Lawrence Ship Channel — operation and maintenance. There did not appear to be any item at all for the Fraser River.]

In the company's 1949 annual report, Mr. Lanigan states:

"There is no port on the Pacific as well equipped as ours for cargo storage, cool, ventilated cold storage, or warehousing. No dock so well equipped mechanically for quick, safe handling of import or export cargo. Unfortunately the very channel of traffic, the Fraser River, is the chief handicap in the development of the only fresh water river port on the Canadian Pacific Coast. Extra pilotage dues and the increasing river hazards, cargoes diverted to other ports originally booked for New Westminster, ships grounded en route, etc., overcome the advantage of a well-equipped terminal. So great have these diverted cargoes grown, that your Directors must give serious thought to establishing supplementary facilities to take care of this tonnage at some other port free from such hazards. Such a site has lately become available which will receive our attention."

Bogus $10 Bills—What To Watch For

Watch For These Bills

An examination of all counterfeit bills so far has established that only the following serial numbers have been used:

R-D	S-D	T-D	U-D
0793929	9818060	0765079	2465816
1331517	0564809	1286044	3409295
1517914	2561563	0812892	3597888
3270019	1290026	1533829	4106422
3403755	2539713	1372903	5030289
3430885	9907347	3079575	5197524
3679365	0133505	7464239	5365078
4300222	9134716	0400625	5531725
9306690	9086729	7761841	6333504
9446050	6305198	8994625	6334589
9491033	O-D	9051299	7721535
9534343	1724598	9601341	2306724
		9911441	1946941
		8614936	0260776
		8341736	
		0476914	
		2538109	
		3633507	
		3886217	
		4274200	
		4403945	
		6509769	
		7352057	

Staff Changes

Chartered banks announce the following staff changes:

Canadian Bank of Commerce:

N. SCHROEDER, manager, Williams Lake, B.C., to be manager, Port Alberni, B.C.

J. W. PINKHAM, accountant, Bowmanville, Ont., to be manager, Tamworth, Ont.

P. R. ST. JOHN, an assistant inspector, head office, Toronto, to be assistant manager, Victoria, B.C.

J. L. HELLYER, accountant, Vernon, B.C., to be manager, Williams Lake, B.C.

* * *

Chartered banks announce the following staff changes.

Nova Scotia:

T. F. MITCHELL, to be an assistant supervisor attached to the supervisor's office, Saint John, N.B.

L. G. BAIDEN, to be manager, Mill & Paradise Row, Saint John, N.B.

R. M. NICHOLS, to be assistant manager, Bank & Gloucester, Ottawa.

W. W. CLARKSON, to be accountant, Gerrard & Woodbine, Toronto.

* * *

Montreal:

D. W. CASEY, formerly at head office, Montreal, to be assistant superintendent of Alberta district.

E. A. HAY, formerly manager, Wakaw, to be manager, Belmont, Man.

H. W. DOWKES, formerly accountant, Camrose, to be manager, Forestburg, Alta.

R. H. FAULKNER, formerly manager, Myrnam, to be manager, Magrath, Alta.

T. A. M. BRADLEY, formerly accountant, Red Deer, to be manager, Myrnam, Alta.

A. C. KING, formerly manager, Raymond, to be manager, Olds, Alta.

J. H. MOORE, formerly manager, Walkerton, to be manager, Perth, Ont.

J. F. GRANT, formerly manager, Magrath, to be manager, Raymond, Alta.

K. B. MILLS, formerly manager, Belmont, to be manager, Reston, Man.

P. I. LAROCQUE, formerly at head office, Montreal, to be manager, Ste. Agathe des Monts, Que.

G. J. T. LAPALME, formerly accountant, Valleyfield, to be manager, North End branch, St. Jerome, Que.

H. L. M. LEITCH, formerly manager, Forestburg, to be manager, Viking, Alta.

C. L. HAINES, formerly accountant, Port Arthur, to be manager, Wakaw, Sask.

$750,000 Wing For Lowney's Candy Plant

MONTREAL (Staff) — Work is starting immediately on a new $750,000 addition to the main plant here of Walter M. Lowney Ltd., President Edmund Littler informs The Post.

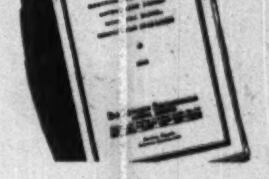
Part of the existing plant at Inspector and St. Paul Streets is being torn down, and in its place company is erecting a new six-story structure with a basement. Floor space will be about 112,000 sq. ft.

The new building will provide additional candy capacity. The over-all cost includes purchase of some new machinery which will increase capacity by about 25%.

Demand for candy since reduction in price of chocolate bars to a nickel has kept plant humming at full capacity, and company hasn't been able to keep up with orders, Mr. Littler reports. Company's entry into the ice cream business early last year has also proved profitable, he says.

Contract for construction of the new plant has been let to Louis Denalo. Luke & Little are architects.

Investment Suggestions



A copy of our booklet "Investments" will be forwarded on request

Security	Rate	Maturity	**Price	Yield %
Canada Savings Bonds	2¾%	1 Nov. 1959	100.00	2.75
Government of Canada	3 %	1 Oct. 1959/63	102.625	2.67
*Canadian National Railway Co.	2⅞%	16 Jan. 1966/71	100.00	2.88
Province of Ontario	3 %	15 Dec. 1968/70	100.25	2.97
Ontario Hydro Power Commission	3 %	1 Apr. 1968/70	99.875	3.02
Province of Nova Scotia	3 %	15 Dec. 1965/67	99.75	3.02
Province of Manitoba	3 %	15 Feb. 1967	99.75	3.07
Province of Saskatchewan	3½%	1 Feb. 1966/68	100.25	3.48
Province of British Columbia	3 %	15 Dec. 1967	99.00	3.06
Town of Smiths Falls	3¼%	1 Feb. 1966/70	100.00	3.25
School Dist. No. 23 (Kelowna) B.C.	3½%	15 Dec. 1950/69	102.00	3.30
Shawinigan Water & Power Co.	3½%	1 Oct. 1973	103.135	3.31
Canada Bread Ltd.	4¼%	1 Oct. 1967	100.25	4.23
Burns & Co. Limited	4 %	1 May 1963	100.00	4.00
John Inglis Co. Limited	4 %	15 Nov. 1966	98.00	4.16
Imperial Oil Limited	3 %	15 Dec. 1969	99.00	3.07
Imperial Tobacco Co. of Can. Ltd.	3 %	1 Mar. 1970	99.00	3.06
B.C. Electric Co. Ltd.	3½%	1 Mar. 1975	99.00	3.56
Shawinigan Water & Power Co.	4½%	Pref. $50 Par	Market	4.31
Imperial Tobacco Co. of Can. Ltd.	4 %	Pref. $25 Par	Market	3.80
Aluminium Limited	Common	No Par Value	Market	4.40
Consumers' Gas Co. of Toronto	Common	$100 Par	Market	4.85
Imperial Oil Ltd.	Common	No Par Value	Market	2.17
Powell River Company	Ordinary	No Par Value	Market	7.47
Royalite Oil Company Ltd.	Common	No Par Value	Market	2.14

*Guaranteed by the Government of Canada.

**Accrued interest to be added where applicable.

Listed stocks are quoted approximately at the market and offered as agents, other securities offered as principals subject to prior sale and change in price.

DOMINION SECURITIES CORPN. LIMITED

Established 1901

TORONTO MONTREAL NEW YORK LONDON, ENG. WINNIPEG VANCOUVER VICTORIA CALGARY LONDON KITCHENER HAMILTON OTTAWA QUEBEC HALIFAX SAINT JOHN

50 King Street West, Toronto, Canada

ALUMINUM COMPANY OF CANADA, LIMITED

Notice of Partial Redemption

FIRST MORTAGE 3½% SINKING FUND BONDS

Series A and Series B

Due 1974

TO THE HOLDERS of First Mortgage 3½% Sinking Fund Bonds of Aluminum Company of Canada, Limited, NOTICE IS HEREBY GIVEN that, in accordance with the provisions of the Trust Deed of 15th May, 1944, Bonds of Series A aggregating $451,000.00 principal amount, and Bonds of Series B aggregating $824,000.00 principal amount, bearing the following distinctive numbers, or the portions of such Bonds indicated after the respective distinctive numbers, are hereby called for redemption and will be redeemed on the 15th May, 1950 for the respective sinking funds:

SERIES A COUPON BONDS

AM.00565	AM.11772	AM.12116	AM.12620
00570	11799	12144	12660
00733	11811	12181	12661
11440	11857	12224	12697
11456	11875	12231	12722
11462	11893	12347	12735
11480	11923	12472	12738
11590	11983	12500	12742
11609	12001	12512	12765
11630	12024	12568	12782
11644	12053	12570	12811
11714	12057	12573	12813
11720	12062	12582	12851
11781	12101	12584	12879

for $1,000.00 each

SERIES A FULLY REGISTERED BONDS

AR.00001 to the extent of $226,000.00 — AR.00014 to the extent of $ 7,000.00
00002 " " " " 79,000.00 — 00015 " " " " 13,000.00
00013 " " " " 2,000.00 — 00017 " " " " 48,000.00

SERIES B FULLY REGISTERED BONDS

BR.00027	BR.00124	BR.01132	BR.01136
00028	00125	01133	01137
00029	00126	01134	01267
00091	00127	01135	01268
			01269

BR.00011 to the extent of $188,000.00 — BR. 00017 to the extent of $32,000.00
00012 " " " " 94,000.00 — 00018 " " " " 23,000.00
00013 " " " " 94,000.00 — 00019 " " " " 16,000.00

Each of the Bonds hereby called for redemption, or the indicated portion thereof, will become and be due and payable and will be redeemed and paid, on 15th May, 1950, in the currency in which it is expressed to be payable, at 101.63% of the principal amount thereof plus accrued interest thereon to 15th May, 1950 and from and after said date interest thereon, or on such portion thereof, will cease to accrue and all interest coupons appertaining thereto and maturing subsequent to said date will be void.

Redemption will be made, with respect to Bonds of Series A at the office of the undersigned Trustee in the City of Montreal, Province of Quebec, Canada, and with respect to Bonds of Series B at the said office of the Trustee or, at the option of the bearer or registered owner, at the office of The National City Bank of New York, Paying Agent, in the Borough of Manhattan, City and State of New York, United States of America.

Payment of the redemption price will be made upon surrender of Bonds redeemed in full together with all coupons appertaining thereto maturing on and after 15th May, 1950, and upon presentation of Bonds redeemed in part for appropriate notation of payment or for exchange for new Bonds of the same series for the unredeemed portion, as provided in the said Trust Deed.

For: Aluminum Company of Canada, Limited,
NATIONAL TRUST COMPANY, LIMITED, Trustee

Dated at Montreal, 12th April, 1950.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

PENMANS LTD. 1949 net profit of $336,466 was down 5.3% from 1948's $355,367.

Capital expenditures amounted to $186,494. President A. F. Baillie reports that delivery of new machinery from abroad is being made and certain commitments will have to be met. This has been on order for some time and is part of the post-war program of re-equipment.

Funded debt was reduced by $53,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,602,945	$1,787,327
Less: Depreciation	450,000	325,000
Invent. res.	225,000	320,000
Bond interest	44,479	45,960
Income tax res.	547,000	741,000
Net profit	336,466	355,367
Less: Pref. divds.	64,500	64,500
Common divds.	193,554	193,554
Surplus for year	78,412	97,313
Times Bond Interest Earned:		
Before deprec.	36.04	38.89
After deprec.	25.92	31.82
Earnings per Share and Dividend Record:		
Preferred	$31.30	$33.06
Paid	6.00	6.00
Common	4.22	4.51
Paid	3.00	3.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$923,053	$676,708
Accts. rec.	1,605,036	1,780,815
Inventories	2,878,938	3,072,735
Total curr. assets	5,407,027	5,530,258
Misc. assets▲	234,830	306,583
Fixed assets*	2,892,666	3,182,781
Total assets	8,534,523	9,019,622
Bank loan	157,952	138,807
Demand loan	......	190,000
Accts., tax., etc., pay.	903,593	1,227,307
Total curr. liab.	1,061,545	1,556,114
Funded debt	1,368,000	1,421,000
Gen. reserve	206,203	222,145
Capital stock	3,225,600	3,225,600
Earned surplus	2,673,175	2,594,763
*After depr. of	4,230,803	3,781,477
▲Incl. ref. EPT	116,728	184,250
Working capital	4,345,482	3,974,144

Niven expects recent easing of import restrictions and a substantial backlog will lead to "satisfactory" 1950 operations.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$1,196,137	$1,792,841
Less: Deprec.	76,516	51,724
Bank int.	......	65,038
Prov. for inc. tax	432,000	618,000
Net profit	687,621	1,058,079
Less: Pref. divds.	66,834	66,834
Com. divds.	100,000	100,000
Surplus for year	520,787	891,245
Earnings per Share and Dividend Record:		
Preferred	$61.73	$94.99
Paid	6.00	6.00
Common	7.76	12.39
Paid	1.00 + 0.25	1.00 + 0.25

CONDENSED GEN. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$940,373	$931,306
Accts. rec.	3,846,982	4,056,786
Inventories	3,849,543	3,899,340
Total curr. assets	8,636,898	8,887,432
Prep. exps.§	15,221	10,895
Ref. EPT	267,097	434,065
Fixed assets†	1,683,953	1,652,487
Total assets	10,603,169	10,984,879
Bank loan	......	300,000
Accts. & tax. pay.	2,521,764	3,124,260
Pref. divds. pay.	16,708	16,709
Total curr. liab.	2,538,472	3,440,969
Conting. res.	802,468	802,468
Capital stock	2,713,900	2,713,900
Earned surplus	4,548,329	4,027,542
†After depr. of	782,866	719,172
§Incl. in curr. assets in co's report.		
Working capital	6,098,426	5,446,463

RENFREW TEXTILES LTD., Renfrew, Ont. consolidated 1949 net profit of $16,564 was off sharply from 1948's $39,958. Increased wool and manufacturing costs were coupled with a 6.3% fall in sales volume. Spotty conditions experienced by customers made them very cautious in their purchasing and it was therefore impossible to raise selling prices to cover the higher costs.

President D. S. Dubin states that inventories are being maintained at the lowest possible level and economies, to bring manufacturing costs into line with a reduced sales volume, are being effected.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$54,646	$84,408
Less: Deprec.	25,483	19,752
Bond int.	2,988	3,362
Income tax	9,611	21,336
Net profit	16,564	39,958
Less: Cl. A divds.	15,000	15,000
Surplus for year	1,564	24,958
Earnings per Share and Dividend Record:		
Class A†	$0.66	$1.60
Class A‡	*	0.74
Paid	0.60	0.60
Class B†	0.03	0.45
Class B‡	*	0.39
None paid.		
†Before (‡after) participation.		
*No earnings available for participation.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$33,215	$51,148
Accts., etc., rec.	72,926	67,059
Inventories	161,345	136,913
Total curr. assets	267,486	255,120
Prep. exps.§	1,592	2,182
Fixed assets*	466,319	490,048
Total assets	735,397	747,350
Total curr. liab.	63,648	62,165
Funded debt	80,000	95,000
Capital stock	224,100	224,100
Capital surplus	229,244	229,244
Earned surplus	138,405	136,841
*After depr. of	216,201	190,718
§Incl. in curr. assets in co's report.		
Working capital	203,838	192,955

CANADIAN FAIRBANKS-MORSE CO. net profit of $687,621 for 1949 was down 35% from 1948's $1,058,079. Largely due to import restrictions on U. S. goods, sales dropped from $24,158,311 to $23,086,858.

A new office and warehouse in Winnipeg is expected to be occupied by Dec., 1950. At the Halifax branch, a new office and warehouse is expected to be built. This will make a total of seven new buildings erected since 1945 and practically completes the program of providing modern warehousing facilities for the 15 branches.

Sales in 1950, hampered by severe winter weather, are running behind 1949, but President G. M.

ENAMEL & HEATING PRODUCTS LTD., Sackville, N.B., net profit for 1949 was $171,269, up 8.2% from $158,222 in 1948 due to a 12.51% increase in sales and economies in operation. The subsidiary at Amherst, N.S. operated at a profit and results for 1950 are expected to be equally satisfactory.

Patterns and templates are now being built for manufacturing oil burning pot type furnaces, gas burning space heaters and electric and gas ranges. First two items are expected to be in production by May 1, with the others by August 1 and these new lines are expected to help keep sales at a high level.

Due to import restrictions by the South African government, an agreement was entered into with associates there for the manufacture of Ellis DeLuxe coal ranges, now in production. Agreement provides for supplying patterns and templates at cost, and fees for engineering services, which President N. A. Hesler estimates will be a source of considerable income to the company, without financial obligation on its part.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$325,779	$292,018
Less: Deprec.	36,954	33,977
Bond interest	12,000	12,000
Amort. bd. disc. & exp.	976	976
Inc. tax. res.	104,580	86,843
Net profit	171,269	158,222
Less: Dividends	29,500	29,500
Surplus for year	141,769	128,722
Times Bond Interest Earned:		
Before deprec.	27.15	24.33
After deprec.	24.07	21.50
Earnings per Share and Dividend Record:		
Com. Earned	$5.81	$5.36
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$162,867	$132,709
Accts. etc., rec.	406,316	370,671
Inventories	509,800	582,925
Total curr. assets	1,168,983	1,086,305
Misc. assets▲	46,173	54,906
Inv. in & adv. to subs.	8,907	5,556
Fixed assets	1,213,420	1,151,699
Total assets	2,437,483	2,298,466
Bank loan	34,973	29,907
Accts., tax., etc., pay.	242,495	270,513
Customers dep.	50,000	50,000
Total curr. liab.	327,468	350,420
Funded debt	300,000	300,000
Depr. & apprais. cr.	926,382	904,027
Capital stock	439,769	439,769
Earned surplus	443,864	307,020
Less: Cap. deficit	......	2,770
▲Incl. ref. EPT	......	12,333
Working capital	841,515	735,885

"It Was A Good Idea at the Time"

WHEN your will was prepared a few years ago, it made wise provision for the disposition of your estate. But your family or your circumstances may have changed; new taxes and succession duties have created conditions which may impose real hardships on those you have sought to protect.

By appointing The Sterling Trusts Corporation as your executor, you may have the benefit of their extensive experience in a periodical check-up of your estate plan to make certain that it is in line with latest tax and succession duties legislation and your family circumstances.

THE STERLING TRUSTS CORPORATION

372 Bay Street, Toronto 1

38 years in Business

These Secured Notes having been sold, this advertisement appears as a matter of record only.

New Issue

$10,000,000

Industrial Acceptance Corporation Limited

(Incorporated under the laws of Canada)

3¼% Secured Notes Series "F"

Dated April 1, 1950 — *Due April 1, 1957*

These Notes rank *pari passu* with all other Secured Notes issued by the Company and the proceeds of this issue will be used to reduce the amount of such Secured Notes payable on demand then outstanding.

Trustee: Montreal Trust Company

Price: 100 and accrued interest

Greenshields & Co Inc — Wood, Gundy & Company Limited

New Issue

40,635 Shares

Union Acceptance Corporation Limited

60¢ Cumulative Redeemable Sinking Fund Preference Shares

($9.00 par value)

The Preference Shares are preferred as to capital and dividends; entitled to fixed preferential cash dividends at the rate of 60¢ per share per annum, cumulative from April 1, 1950, payable quarterly on the first days of January, April, July and October by cheque, payable in lawful money of Canada, at par, at any branch in Canada of the Company's bankers, far northern branches excepted; redeemable, at the option of the Company, at $11.00 per share and accrued dividends to the date of redemption.

Transfer Agent and Registrar: The Canada Trust Company, Toronto

Capitalization

(Upon completion of present financing)

	Authorized	Issued
60¢ Cumulative Redeemable Sinking Fund Preference Shares, $9.00 par value	55,000 shares	55,000 shares
Common Shares, no par value	55,000 shares	42,254 shares

The Company has made application to list the Preference Shares and Common Shares on The Toronto Stock Exchange.

Purpose of Issue

The proceeds of this issue will be paid into the Company's treasury to provide additional working capital.

We, as principals, offer these Preference Shares, subject to prior sale and change in price, if, as and when issued and accepted by us, and subject to the approval of Counsel, Messrs. Fennell, McLean & Davis, Toronto.

A Prospectus will be furnished upon request.

Price: $10.00 per share to yield 6%
including four Common Shares with each ten Preference Shares

Share Certificates will be available for delivery on or about April 14, 1950.

BANKERS BOND CORPORATION LIMITED — W. C. PITFIELD & COMPANY LIMITED

the STETSON is part of the man...

The STETSON TRAVELER is versatile enough to wear to business or to ball games, with tailored suits or casual tweeds.

THE STETSON TRAVELER, $12.50
Other Stetson prices from $8.50

More people wear STETSON HATS than any other brand

LABOR ROUNDUP

By RONALD WILLIAMS

Cost of Chrysler Strike Tops $1 Billion; Here's Breakdown of Staggering Losses

How much does a strike cost in cold cash?

This week, the Chrysler stoppage over pensions in the United States was 11 weeks old and Automotive News, the industry's trade paper, came up with these staggering cost figures:

—To Chrysler and its 10,574 dealers, production of 350,000 cars and trucks worth $700 millions.

—To 6,500 suppliers, purchases worth $214 millions.

—To 89,000 strikers, wages worth $61.5 millions.

—To 50,000 idled supplier workers, wages worth $21 millions.

—Total cost—$994.5 millions or about $20 millions a day!

That was up to April 8. By now it's over the $1 billion mark! And every day it goes on adds another $20 millions to the bill.

To this must be added around $1 million the union itself has spent in emergency relief, running the strike, advertising, etc.

However, the Chrysler stoppage would have to go on for another five weeks to become the longest auto strike in history. The record was the 16-week General Motors tie-up in 1945-46.

At midweek, union and Chrysler were still deadlocked but prospects for settlement appeared brighter. The chief reason was the retreat of the union on a key point: that Chrysler contribute into the pension fund on a fixed cents-per-hour basis. This was not demanded of Ford or in the steel industry and it has been a major stumbling block in the Chrysler strike. Now the union has withdrawn this demand and also another contentious claim to participate in the actual supervision of the fund itself.

Meanwhile, General Motors had looked over union demands on it and was said to be ready to make a counter-offer. Union demands: $125 a month pensions at 65 after 25 years service, plus other social security benefits, and other economic demands totaling 31c an hour. Present contract expires May 29.

Bad as the Chrysler strike is, the effect of G.M. stoppage would be infinitely worse. G.M. employs about 260,000 production workers against Chrysler's 89,000. But more important, through subsidiaries, G.M. controls many of the nation's leading automotive suppliers. If G.M. is struck, they would be too and parts would stop flowing not only to G.M. but other automobile manufacturers as well. In short order, the whole industry would grind to a standstill.

To a lesser degree, the same situation holds true for Canada. Significantly the G.M. contract comes up for renewal in Canada a week after the U. S. Equally important, Canadian union officials sat in on G.M. policy conferences in the U. S. this year for the first time. Close liaison between has been established.

• • •

Trenton Gets Red Treatment

The Communist-led AFL Textile Union which has been involved in strike violence in half a dozen towns and cities in Ontario and Quebec, was at it again this week. In the small Ontario town of Trenton, the Red union put up a stiff battle but failed to stop a back-to-work movement at the Downs Coulter Mfg. Co. In the melee, a woman suffered a heart attack and Union Organizer George Beckett was arrested on a charge of assault. Police say he led a charge of pickets against a local police force of 11 which opened up a path for workers wanting to go back to work. The strike began 15 weeks ago when 115 walked out. This week, 92 were back on the job, thoroughly disillusioned by Communist union tactics. Originally, the cause of the strike seemed clear: the union wanted a raise of 15c an hour; the company offered 5c. However, after the strike had been underway, Communist leadership of the union became the major issue, and was the chief factor in the birth of the back-to-work movement.

• • •

Labor Briefs

Strike at de Havilland Aircraft plant in Toronto postponed last week by intervention of Ontario's Chief Conciliator Louis Fine. Agreement reached on 5c hourly raise but not on length of contract; company wants it to run two years; union only one year.

• • •

CIO American Newspaper Guild scored major victory in Canadian organizing drive by winning certification vote at Canadian Press. Of 89 newsmen eligible to vote, 54 voted for the Guild, 35 against. To get the required 51% votes for certification, the Guild needed 45.

• • •

Between February 28 and March 16, 59,000 unemployed persons took advantage of extended Unemployment Insurance benefits, reports the Department of Labor. Supplementary benefits were announced to tide jobless over the seasonal gap.

I. D. A. Course II Exam. Is Set For April 20

The final examination for Course II of the educational course of the Investment Dealers' Association of Canada will be held on the evening of Thursday, April 20. Examination centres have been set up in 19 places, namely: Halifax, Saint John, Charlottetown, Montreal, Quebec City, Toronto, London, Ottawa, Kitchener-Waterloo, Guelph, Kingston, Owen Sound, Winnipeg, Regina, Calgary, Edmonton, Lethbridge, Vancouver, Victoria.

PURITY FLOUR MILLS: An additional 280 cumulative redeemable preference shares have been purchased on the open market, redeemed and cancelled in accordance with rights and limitations relating to preference shares, reducing number of preference outstanding to 35,720.

IN TORONTO... CARS and TRUCKS FOR RENT
CALL car-U-drive COMPANY LIMITED
100 RICHMOND STREET WEST TORONTO, ONT.
AD. 5733

Without the slate, it is not a SLATER

For Better Value—always Slater
Step out in colorful style. SLATER pays off in looks and comfort. . . . The footwear of successful men!
Slater FOR MEN AND WOMEN
THE Slater SHOE

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN LIQUID AIR CO. shows 1949 net profit of $19,398 against $16,688 in 1948. Gross earnings were $7,343 higher at $326,721.

Working capital dropped from $1,972,571 to $1,231,638.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Gross earnings	$326,721	$319,378
Less: Expenses	139,521	
Depr.	100,480	283,522
Deb. int.	48,806	
Prov. for taxes	18,516	19,168
Net profit	19,398	16,688
Less: Divds.	17,500	......
Surplus for year	1,898	16,688
Earnings per Share and Dividend Record:		
Common	$1.94	$1.67
Paid	1.75	....

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. gov. bds.	$497,889	$1,218,638
Accts. rec.	1,577,478	780,985
Total curr. assets	2,075,367	1,999,623
Misc. assets▲	5,244	8,554
Unamort. deb. exp.	15,000	22,823
Real estate	36,560	37,040
Fixed assets†	1,286,287	1,386,287
Total assets	3,418,458	3,454,327
Advances on orders	766,038	......
Other curr. liabs.	77,691	27,052
Total curr. liabs.	843,729	27,052
Bal. due parent co.	1,172,872	1,870,422
Funded debt	1,296,000	1,444,000
Capital stock	100,000	100,000
Surplus	5,857	12,853
▲Incl. ref. EPT	4,310	8,547
†After depr. of	213,713	113,713
Working capital	1,231,638	1,972,571

COOKSVILLE CO. reports consolidated 1949 net profit of $564,302, down 5% from $593,939 in 1948. A fire in August at the Cooksville plant resulted in a substantial reduction of brick and tile capacity. President C. G. Greenshields estimates essential reconstruction work will be completed by end of April. Operating profit includes the amount received from Use and Occupancy insurance arising from curtailment of operations.

During the year, $120,000 of 2¾%, and $85,000 of 4% bonds were redeemed.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net oper. profit	$1,057,193	$1,053,010
Less: Bond int.	21,888	25,052
Depr. & depl.	99,276	86,615
Income taxes	371,727	347,404
Net profit	564,302	593,939
Less: Cl. A divds.	53,400	53,400
Surplus for year	510,902	540,539
Times Bond Interest Earned:		
Before depr., etc.	48.30	42.03
After depr., etc.	43.76	38.58
Earnings per Share and Dividend Record:		
Class A†	$6.34	$6.67
Class A‡	3.47	3.64
Paid	0.60	0.60
Class B‡	2.87	3.04
None paid.		

†Before (‡after) participation.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$960,242	$298,572
Accts. rec.	549,949	703,125
Inventories	294,348	397,626
Life insur., c.s.v.	53,300	50,900
Total curr. assets	1,857,839	1,450,223
Investments	972,615	953,242
Misc. assets▲	34,283	37,416
Fixed assets*	1,360,490	1,405,561
Total assets	4,225,227	3,846,442
Accts. & tax. pay.	594,338	523,891
Accr. bond int.	1,333	1,892
Total curr. liab.	595,671	525,783
Funded debt	400,000	605,000
Capital stock	1,625,000	1,625,000
Earned surplus	1,604,556	1,090,659
*After depr. of	2,071,535	1,972,259
▲Incl. ref. EPT	4,440	4,398
Working capital	1,262,168	924,440

DOMINION DAIRIES LTD. shows a revised net profit of $15,968 for the year ended March 31, 1949, compared with a profit of $219,811 for the previous year.

Subsequent to the original report for this period, dated May 30, 1949 and showing a profit of $154,095, new depreciation regulations were established by the government. Under these, it was optional to compute income for the year on the basis used in previous years or on the new basis.

Company has decided to increase depreciation for that period to $559,218, from $342,560 shown previously. Taxes were therefore cut from $72,186 to $62,072. Dividends paid are shown as having been paid mainly out of accumulated surplus. New statements will be put before a special general meeting of shareholders on April 14 for their approval.

President W. R. Aird states that the company intends to use this new basis in the fiscal year ended March 31, 1950.

INCOME ACCOUNT

Years Ended Mar. 31:	1949	1948
Sales	$16,680,384	$15,030,036
Net earnings	692,145	778,919
Less: Deprec.	559,219	296,539
Bond interest	106,844	108,906
Income tax res.	10,114	135,994
Org. exp. w/o	......	10,317
Refin. exp. w/o	......	7,352
Net profit	†15,968	219,811
Less: Pref. divds.	56,875	56,875
Com. divds.	37,402	......
Surplus for year	▪78,309	162,936

▪Deficit.
†Method of determining deprec. changed to diminishing bal. basis for 1949 fiscal yr. under new inc. tax regulations. Under co's former deprec. practice, net profit would have been $154,096, after $342,561 depr. and $72,186 taxes.

Earnings per Share and Dividend Record:		
Preferred	$0.49	$6.76
Paid	1.75	1.75
Common	d0.41	1.63
Paid	0.37½	....

CONDENSED BALANCE SHEET

As at Mar. 31:	▪1949	1948
Cash & gov't bonds	$614,947	$1,076,661
Accts. rec.	389,529	343,707
Inventories	652,481	531,469
Total curr. assets	1,656,967	1,951,837
Invests. in subs.	334,786	334,786
Misc. assets▲	49,850	268,173
Fixed assets	5,552,614	5,072,660
Goodwill	500,073	500,073
Total assets	8,094,290	8,127,529
Accts., tax., etc., pay.	1,018,981	1,284,263
Accr. bond. int.	35,500	36,187
Bonds due	75,000	75,000
Total curr. liab.	1,129,481	1,395,450
Funded debt	2,775,000	2,850,000
Deprec. res.	1,581,921	1,022,761
Conting. res.	100,000	100,000
Capital stock	2,058,186	2,058,186
Capital surplus	35,400	37,529
Earned surplus	414,302	663,603
▲Incl. ref. EPT	10,889	11,222
Working capital	527,486	556,387

▪Revised bal. sheet.
See (†) under Inc. Account.

BELL TELEPHONE CO. OF CANADA has issued an additional 3,590 shares under the terms of the employees' stock plan. Issued capital is now 6,421,815.

Investment Service

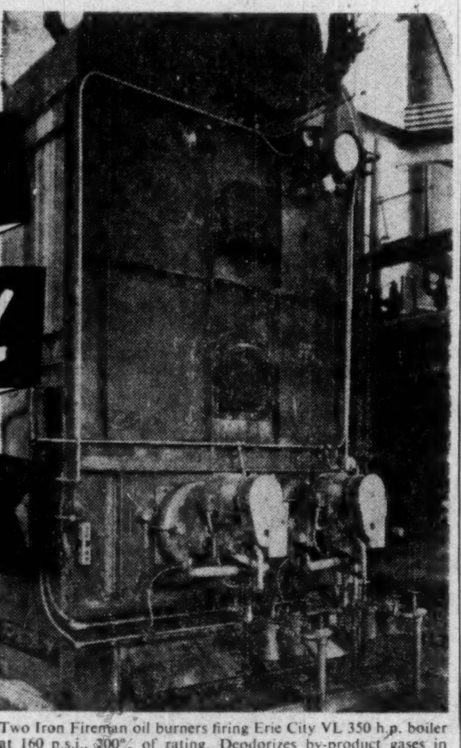
Government of Canada Bonds
Provincial, Municipal,
Public Utility and
Industrial Securities

Royal Securities Corporation
Limited

Montreal, Toronto, Halifax, Saint John, Quebec, Ottawa, Hamilton, Winnipeg, Calgary, Vancouver, Charlottetown, St. John's, Nfld.

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
3% Interest paid on Debentures issued for 5 years.
2% Interest paid on Savings Deposits.
ASSETS OVER $28,000,000.

BURN ECONOMICAL HEAVY OIL



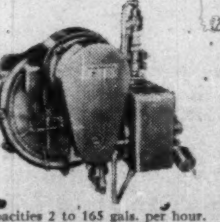
Two Iron Fireman oil burners firing Erie City VL 350 h.p. boiler at 160 p.s.i., 200% of rating. Deodorizes by-product gases in combustion chamber of boiler, in addition to generating steam. Fuel is high acid petroleum, by-product of asphalt production; consistency of fuel varies from No. 1 to No. 6.

with the highly efficient IRON FIREMAN Industrial Oil Burner

Now you can use economical heavy oils (Nos. 5 and 6) with the Iron Fireman Industrial Oil Burner and get a steady, even flame, regardless of varying oil temperature or viscosity. This steady flame starts more smoothly and it *stays* steady, even at very low burning rates.

New Principle of Oil Control

Iron Fireman's exclusive Oil Volumeter employs a new principle of oil control which eliminates the inefficient combustion and many troubles that go with conventional controls. Oil flow control with the Oil Volumeter is positive and precise because the oil feed-rate is regulated by *volume*, instead of using complex mechanisms (as some burners do) to change the size of the opening through which oil flows.



Capacities 2 to 165 gals. per hour. Fires boilers up to 550 h.p. per burner. Positive *volume* control insures steady flame regardless of oil temperature or viscosity.

The result of the Oil Volumeter's exact control is efficient, non-pulsating combustion, enabling the Iron Fireman Industrial Oil Burner to make an enviable record of fuel and labor savings throughout Canada and the U. S.

Write to find out how an Iron Fireman Industrial Oil Burner can reduce your fuel and labor costs. Iron Fireman Mfg. Company of Canada, Ltd., Dept. 45, 80 Ward Street, Toronto, Ontario. Other plants in Cleveland, Ohio, Portland, Oregon. *Dealers everywhere.*

IRON FIREMAN
INDUSTRIAL OIL BURNER

Why let your car keep your hand in your pocket?...

WHY squander three or four dollars a week on gasoline just to drive around unnecessary weight and space? The handsome new Hillman has all the space you need for *normal, comfortable* family driving.

New "Plus-Power" engine has the drive to give you smooth getaways . . . to soar up hills. And you'll enjoy amazing economy . . . up to 35 miles to the gallon.

Eye-catching, distinctive, the Hillman is delightful to drive because it handles and steers so beautifully . . . parks so easily. And, it has the strength and safety of heavy-gauge, all-steel construction.

It's a pleasure to be thrifty when you drive a Hillman. See it! Compare it! Drive it . . . *today!*

A ROOTES GROUP PRODUCT

Get your money's worth...drive a Hillman Minx

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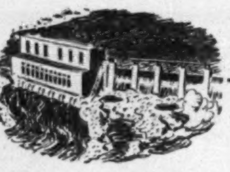
PARTS AND SERVICE FROM COAST TO COAST IN CANADA



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Series "E"

Due March 1st, 1975

Denominations: $100, $500, and $1,000

We offer these Bonds as principals:

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A sound investment in a Company supplying essential services in a rapidly growing territory.

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Stanbury & Company Limited

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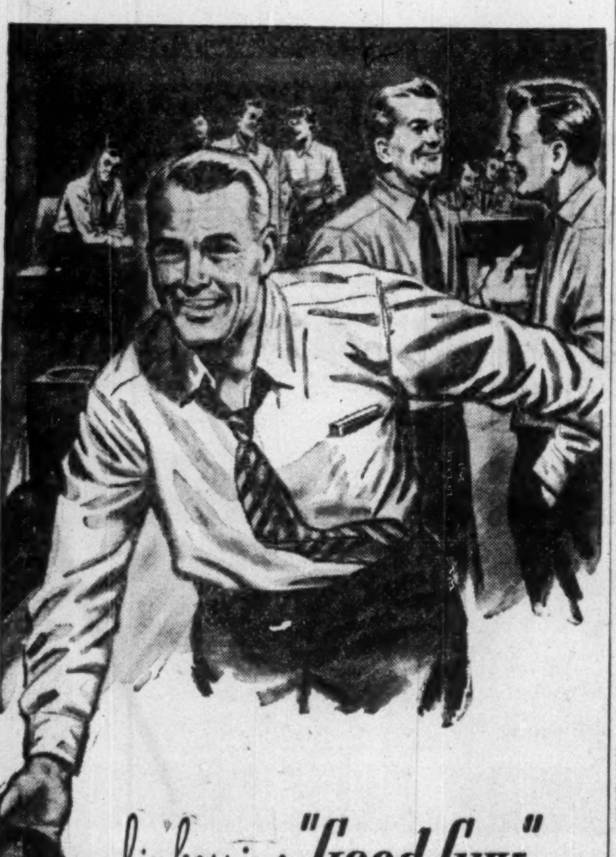
HEAD OFFICE HALIFAX

SAINT JOHN DARTMOUTH



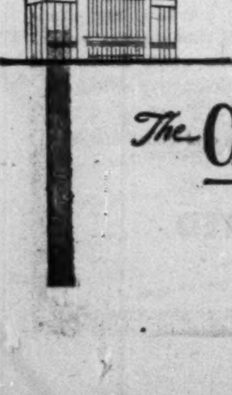
his boss is a "Good Guy"–

because of confidence in CANADA LIFE!

THE BOSS figures it this way: the man who is buying insurance protection for himself and his family will be a better employee. He'd chalk up a higher production record during the day . . . why he'd even roll up a higher score on company bowling night!

The boss was shocked to learn that an alarming number of wage earners have no life insurance at all. With a lot of them it had just been a "someday" proposition. When he arranged with Canada Life to set aside premiums from their pay, the employees found they scarcely missed them.

The boss is a "good guy"? You bet!



brighter tomorrows for you and yours...

The CANADA LIFE Assurance Company

Industrial Growth

Smaller factory expansion projects apparently have replaced the giants of 1946-49, for the time being at least. And both kinds are in declining volume, at least temporarily.

Here are industrial construction contract totals for the opening two months: Canada $15 millions, off 58% from a year ago; two central provinces $4 millions, off 22%; Montreal, Toronto areas combined $1.5 millions, off 59%. That's for value. Here's the picture by number of contracts, again for factories and extensions: Canada 139, down 38% from the 1949 period; two central provinces 130, off 28%; Montreal, Toronto areas combined 53, off 44%.

Typical of the current crop are industrial development projects listed recently in the monthly bulletin of Toronto Industrial Commission.

Ekco

To assemble, finish, pack and store kitchen tools, utensils, commercial and institutional bakery equipment, Ekco Products (Canada), Montreal and Toronto, recently bought 3½ acres in suburban Scarborough township, got plans from Architects Wilson & Newton and awarded plant building contract to Gratton Construction. Cost of the project is put at $150,000.

The building, with offices in a partial second story, will be mainly one story, 25,000 sq. ft., steel, concrete block and brick. Ekco (Canada) is four-year-old subsidiary of Ekco Products, Chicago, which is doing $29 millions annual business in U. S. and Canada from six plants exceeding in floor area a million square feet, and reporting consolidated net worth over $18 millions.

• • •

Nash Motors

When expected pace of two cars an hour is reached, due this month, Nash Motors of Canada will have 300 workers in its first Canadian plant in Toronto, bought in 1946 from Ford Motors and since remodeled, enlarged and equipped at nearly $1 million. Subsidiary of Nash-Kelvinator, Detroit, as is Kelvinator of Canada at London, Ont., Nash Motors began rolling last month in the 205,000 sq. ft. plant on 15 acres.

Sixty suppliers of Canada-made parts will be sending their products into the Nash assembly line. Assembly operations follow standard automotive procedure though some mechanical work is by manual operation until volume is greatly increased. Plant features one of Toronto's first major 60-cycle industrial power installations; latest types of automatic welding equipment; replacement parts warehouse with 23,000 sq. ft. of floor, bigger than any Nash zone parts warehouses in the U. S.

• • •

Rempel

Rempel Manufacturing Canada will make hollow rubber squeak toys in 12,000 sq. ft. recently leased in a suburban York township lactory. Subsidiary of three-year-old Rempel Manufacturing, Akron, Ohio, the new Canadian establishment headed by W. A. Willson as vice-president & general manager will turn out selected items of the parent line of latex rubber animal characters, produced in plaster of Paris molds using a patented roto-cast process developed by Rempel in Akron. Parent company's annual sales recently topped the million dollar mark.

• • •

Diversey

Diversey Corp. (Canada), a Diversey Chicago subsidiary, last week received building contractors' tenders for immediate construction of one story, 20,000 sq. ft., steel and brick plant and office at suburban Port Credit; architect N. A. Armstrong. Due to roll in the fall on cleaners and disinfectants for the food industry, industrial sanitation, metal cleaning products and detergents, the plant will represent Diverseys' first substantial manufacturing in Canada (5 in U. S.). B. M. Kaple is Canadian president.

• • •

Martin Bros.

Oil burner equipment assembly plant, distribution warehouse and sales office of Martin Bros., Toronto, recently were consolidated under one roof (leased premises at 2709 Yonge). "Much more efficient operation," Martin reports.

• • •

Wilson Pop

Charles Wilson Ltd., is increasing Toronto plant capacity 25% and streamlining operations at $100,000 for a substantial boost in output of carbonated beverages. A 10,000 sq. ft. steel and brick extension of second story is under construction; contractor W. C. Bawden. This enlarges full and empty bottle storage area. Additional space has been provided for shipping, allowing simultaneous loading of 14 trucks under cover. To increase production, a new bottling unit and automatic conveying system have been installed.

• • •

Etlin

H. B. Etlin Manufacturing, Toronto, electric wiring devices and fittings for construction industries, plans immediate building of one story, steel and brick plant on one acre bought recently in suburban North York Township.

Construction is being started this month for completion in the fall, when employment will be expanded to about 75 and several products added. Located on Wilson, just west of dual highway under construction to Barrie, new plant will be in one of area's newest industrial subdivisions.

• • •

Dowty

Under a new manufacturing agreement with Dunlop Rubber of England, Dowty Equipment of Canada, new firm at Ajax (The Financial Post, April 30, 1949), will make under license the wheels, brakes and hydraulic brake equipment of Dunlop's aviation division. As well, Dowty will repair and service these items already installed in RCAF aircraft.

• • •

Wilson Light

J. A. Wilson Lighting & Display Ltd., Toronto, commercial and industrial lighting equipment, at year-end will consolidate production now in four separate premises. It has bought a newly built 45,000 sq. ft. plant on four acres in suburban Etobicoke township. Vendor is Steel Kitchen Equipment Ltd., which plans to repeat its 1949 building operation elsewhere (site choice yet to be announced). Wilson's move is scheduled for December completion.

• • •

Peerless & Ericsson

British maker of food-preparing machinery for bakeries, butchers, hotels, Peerless & Ericsson Ltd., London, has 1,100 employees at Birmingham, Coventry and London; installations in ocean liner kitchens (Queen Elizabeth, Queen Mary). Now it has set up Peerless & Ericsson (Canada) in rented Toronto space initially as a sales and service establishment. An assembly operation is being considered, according to Canadian General Manager W. J. Worsfold, formerly general manager of Birmingham and Coventry plants.

• • •

Bohne

Maker for 60 years of springs, piano hammers and strings etc., W. Bohne & Co. plans to start this month building a second story on its Toronto plant to double present floor area, expand spring output. New equipment will go [illegible]. Major increase in employment in July will bring working force to more than 60. Later, a new office building is to be erected fronting the plant.

• • •

Forway

With orders booked from India and France, for sound movie projectors, Forway Industries (Canada) recently began assembly of 100% Canadian-made parts in leased space at suburban Long Branch, near Toronto (plant of Brand & Millen, radio and television sets, which firm is making Forway's amplifiers). New concern is subsidiary of Forway Corp., New York; will fill all Forway projector orders outside United States. Canadian distributor is Vanco Ciné Equipment Ltd.; Vanco's President S. Collis is supervising the Forway (Canada) operation.

• • •

Hepburn

Famed for its performance in the late 1930's in beating the gun to produce munitions tools, Toronto's John T. Hepburn Ltd., castings, cranes, structural steel etc., this month will complete construction of a substantial extension to its steel fabricating plant. This is in the form of a 10,500 sq. ft. roofed steel craneway, open at sides to house a new 35-ton crane for loading, and production. Crane runway structure extends 170 ft. beyond covered section.

• • •

Ditto

Ditto of Canada, Toronto (gelatine and liquid duplicating machines, supplies), last week received contractors' tenders for immediate doubling of its plant in suburban Etobicoke township.

Scope of operations will be extended to include machining of many parts hitherto imported in finished form from parent Ditto Inc., Chicago. About 45 will be added to working force on September completion of extension, 12,000 sq. ft., partly two stories, steel, concrete block and brick, about $100,000; architect Alan B. Crawford, Clarkson, Ont. Eventually, with construction of a further unit of 15,000 sq. ft., all manufacturing and executive offices will be consolidated at Port Credit.

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$2.10 per M-200M Qty. $3.15
Sales Tax Extra. F.O.B. Toronto or Kitchener.
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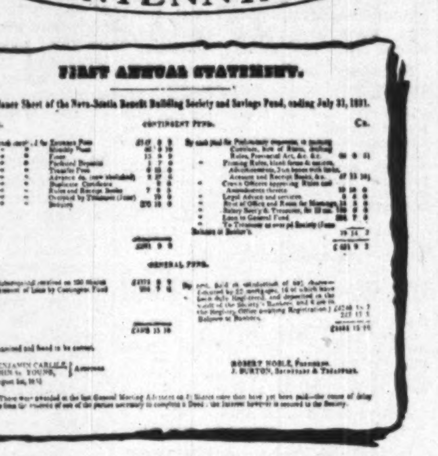


Present Office Premises of the Society and Copy of First Annual Statement

Serving the Public for 100 Years

WE are justly proud of the services and facilities rendered to our Customers during the past century. The Society from a small beginning has enjoyed over that period a steady and consistent growth and stands, today, ready to serve in the same conscientious manner as in the past.

The Society looks forward to a bright future continuing its long record of achievement since its founding in 1850. It is playing a significant role in helping citizens to acquire their own homes. Our statement of financial condition is only half the story . . . the character and integrity of the Society is the deciding factor.

DIRECTORS:

ARTHUR B. WISWELL, President
WALTER MITCHELL, Vice-President
WALTER deW. BARSS, K.C. DONALD McINNES, K.C.
ERIC McN. GRANT
Secretary-Treasurer and Manager
FREDERICK A. LANE
Assistant Manager
G. ROSS GUY, M.C.

100th Annual Report of Our Financial Condition
THE YEAR ENDED DECEMBER 31st, 1949

BALANCE SHEET

ASSETS

First Mortgages on Improved Real Estate		$7,394,878.18
Agreements of Sale		211.14
Office Premises, 92-94 Granville St., Halifax, N.S.	$ 35,356.79	
Less Reserve	5,657.78	29,699.01
Investments:—		
Municipal Bonds & Accrued Int.	20,844.14	
Prov. of Nova Scotia Bonds & Accrued Int.	109,190.01	
Govt. of Canada & Govt. Guaranteed Bonds & Accrued Interest	296,350.07	426,384.22
Refundable Portion of Excess Profits Tax		14,542.92
Cash on Hand and in Banks		55,751.57
		$7,921,467.04

LIABILITIES

To the Public:—		
Debentures & Accrued Interest	$5,163,573.73	
Savings Deposits & Accrued Int.	820,591.48	$5,984,165.21
Amount held for Insurance & Tax Payments, etc.		33,202.70
Reserve for Staff Pension Fund		10,000.00
Reserve for Balance Federal Income Tax after payment of $17,250.00 during the year		30,329.69
Reserve for Balance Provincial Corporation Tax after payment of $2,480.00 during the year		3,122.86
To the Shareholders:—		
Paid Up and Monthly Instalment Shares	$1,277,531.98	
Rest Fund	550,000.00	
Balance Profit & Loss	53,114.60	1,880,646.58
		$7,921,467.04

PROFIT AND LOSS

Dr.	
Office Equipment and Furnishings Written Off	$ 1,288.93
Office Renovations and Fixtures Written Off	4,363.93
Interest Credited Shareholders' Accounts	62,803.36
Transferred to Reserve for Staff Pension Fund	10,000.00
Transferred to Rest Fund	50,000.00
Provision for Federal Income Tax	36,750.00
Provision for Provincial Corporation Tax	5,950.00
Balance carried forward to 1950	53,114.60
	$ 224,270.82

Cr.	
By Balance January 1st, 1949	$ 63,790.91
Net earnings after deducting interest on Debentures & Savings Deposits, Cost of Management, Directors' and Auditors' Fees, etc.	160,479.91
	$ 224,270.82

REST FUND

December 31st, 1949 Balance	$ 550,000.00
	$ 550,000.00

January 1st, 1949, Balance	$ 500,000.00
December 31st, 1949, Transferred from Profit & Loss	50,000.00
	$ 550,000.00

Audited and verified as per our Audit Certificate of February 23rd, 1950.

JOHNSTON, SMITH & CO., Chartered Accountants

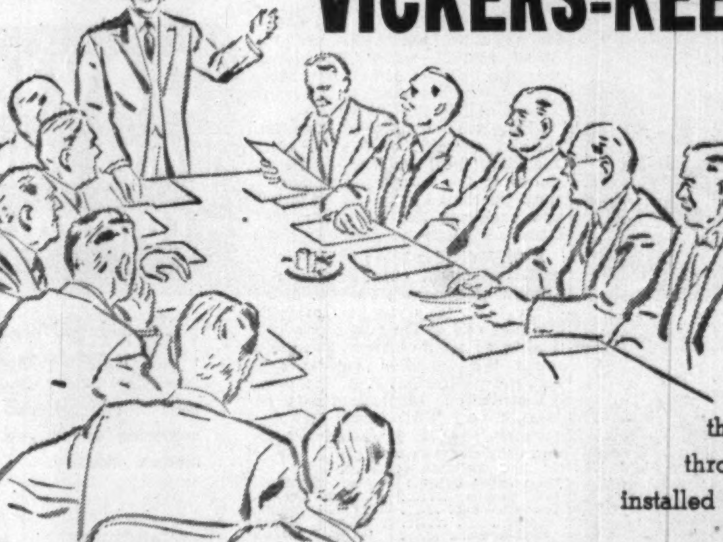
NOVA SCOTIA SAVINGS, LOAN & BUILDING SOCIETY

OFFICES AT 92-94 GRANVILLE STREET HALIFAX, NOVA SCOTIA

You're in Good Company

... WHEN YOU INSTALL A

VICKERS-KEELER BOILER

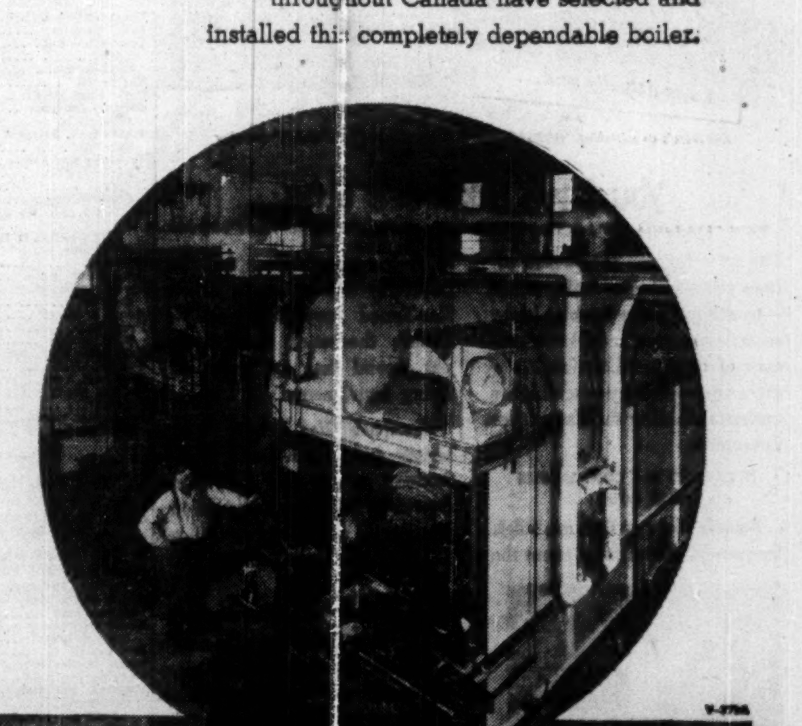


Scientifically designed, with the exclusive double-ring circulation system, the powerful Vickers-Keeler Boiler is unexcelled for operating efficiency.

When you purchase one of these famous boilers, you are indeed in good company. For the leaders in the leading industries throughout Canada have selected and installed this completely dependable boiler.

INDUSTRIES SERVED INCLUDE:
Paint
Chemical
Textile
Rubber
Brewing
Food
Pulp & Paper
Mining

AS WELL AS—
Public and Religious Institutions
Commercial Buildings
Municipalities
Public Utilities



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Halifax - Moncton - Fredericton - Charlottetown - Summerside

FARM MANAGEMENT SERVICE

PARTICULARLY FOR ABSENTEE OWNERS

The Canada Colonization Association, with head office in Winnipeg, maintains a complete farm management, supervision, collection and sales service, especially for absentee farm owners. We have Farm Managers and Appraisers located at strategic points in Manitoba, Saskatchewan, Alberta and British Columbia. We offer management, appraisal and sales service for corporations, individuals and estates. Our fees are reasonable.

Write for full information to:

T. O. F. HERZER, General Manager
A. E. LOVE, Assistant Manager

CANADA COLONIZATION ASSOCIATION
296 Garry Street, Winnipeg
or to the President, H. C. P. CRESSWELL,
215 St. James St. West, Montreal 1

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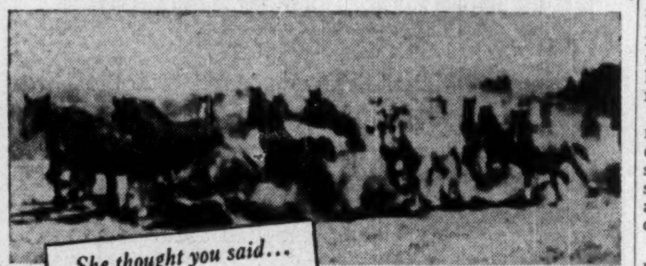
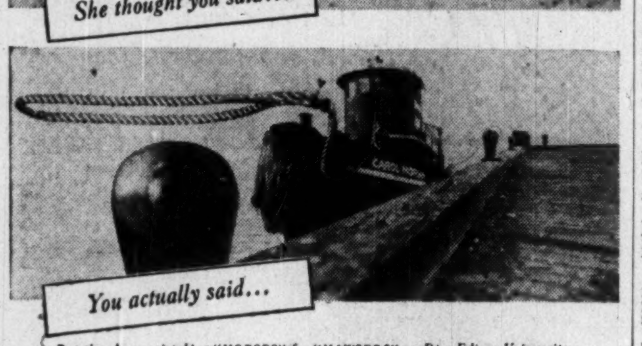
The City with a Living Symbol.
Natural ocean port,
Sixth most important Canadian harbour
Wharves: 7,650 linear feet of berthing
TROIS-RIVIERES
CHAMBER OF COMMERCE





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For a free demonstration, without obligation of course, showing you how to simplify your business life—phone or write your local Edison office today or Thomas A. Edison of Canada, Ltd., Toronto 1, Ontario.

Big Grain Movement Helps National Harbors' Record

Total cargo tonnage of national harbors in 1949 was 6% higher than in 1948 and revenues were up 10%, according to the 14th annual report of National Harbours Board presented to Parliament by Minister of Transport Lionel Chevrier. Operations resulted in a net deficit of $1,493,517 in 1949, an improvement of 27% over 1948.

A large increase in grain shipments was an important factor in the improved showing. In addition, petroleum and its products, anthracite coal, cement and iron ore moved in greater quantities. These increases were partially offset by reductions in bituminous coal, lumber, pulpwood, logs, wood-pulp, wheat flour and general cargo.

Summary traffic figures for 1949, and of income account showed:

Vessels:	1949	Change From 1948
No. of arrivals	44,067	+ 440
Net Regis. Tonnage	34,723,963	+1,717,291
Cargo Tonnage:		
Foreign, Inward ..	8,966,194	— 446,258
Foreign, Outward	10,054,211	+ 635,966
Domestic, Inward	9,731,343	+ 897,264
Domestic, Outward	4,962,048	+ 843,238
Total	33,713,796	+1,930,210

INCOME STATEMENT

	1949	1948
Oper. rev.	$14,072,697	$12,830,784
Oper. exp.	8,160,622	7,608,578
Oper. inc.	5,912,075	5,222,206
Less:		
Misc. inc. chgs.	(Dr.) 1,576	(Cr.) 153,989
Int. due public ..	832,285	1,001,232
Int. due Gov. ...	4,643,729	4,494,846
Res. for repl'cem'ts	1,923,002	1,922,470
Net inc. deficit ..	$1,493,517	$2,042,353

In 1949 the Board spent $4,800,000 on capital and reconstruction and $2,064,000 on maintenance of properties.

Results of the different units show:

HALIFAX: traffic statistics were: vessel arrivals, 2,327 (2,579 in 1948); vessel tonnage, 4,306,000 (4,179,000); cargo tonnage, 3,566,000 (3,629,000).

Operating revenues amounted to $1,301,000, ($1,271,000). Operating and maintenance expenses were $894,000, ($863,000). Net income deficit, after all charges, was $138,000, ($139,000).

SAINT JOHN: showed little change in the volume of shipping, total cargo tonnage was 12% below that of 1948. Traffic figures were: vessel arrivals, 1,645 (1,655); vessel tonnage, 2,337,000 (2,366,000); cargo tonnage, 2,416,000 (2,747,000).

Operating revenues amounting to $715,000 ($805,000). Operating and maintenance expenses were $501,000 ($472,000). After all charges, there was a net income deficit of $529,000 ($389,000).

CHICOUTIMI: showed a decline in traffic in 1949 with vessel arrivals, 198 (181); vessel tonnage, 131,000 (154,000); cargo tonnage, 156,000 (226,000).

Operating revenues amounted to $58,000 ($50,000). Expenses of operation and maintenance were $19,000, ($20,000). After all charges, there was a net income deficit of $99,000, ($106,000).

QUEBEC: cargo tonnage was slightly greater than in 1948 with vessel arrivals, 4,203 (4,320); vessel tonnage, 4,179,000 (3,703,000); cargo tonnage, 1,875,000 (1,850,000).

Operating revenues amounted to $871,000 ($685,000). Operating and maintenance expenses were $813,000 ($833,000). Net income deficit, after all charges, was $917,000 ($1,122,000).

TROIS RIVIERES: Cargo tonnage showed a decrease of 11% with vessel arrivals, 2,200 (2,243); vessel tonnage, 2,242,000 (2,258,000); cargo tonnage, 2,277,000 (2,568,000).

Operating revenues amounted to $214,000 ($220,000). Operating and maintenance expenses were $45,000, ($43,000). After charging interest and reserve for replacements, there was a net income deficit of $11,000, ($3,000).

MONTREAL: total cargo tonnage at the harbor of Montreal in 1949 showed an increase of 2,232,000 tons, or 19%, over 1948. Vessel arrivals were also higher. Traffic statistics were: vessel arrivals, 4,480 (3,667); vessel tonnage, 7,637,000 (6,627,000); cargo tonnage, 13,870,000 (11,638,000).

Operating revenues amounted to $6,273,000 ($5,609,000). Receipts from the operation of grain elevators showed an increase of $940,000 but earnings of other harbor facilities showed a downward trend.

Operating and maintenance expenses were $3,664,000 ($3,187,000). Net income surplus, after all charges, was $102,000 ($43,000 deficit). The foregoing figures are exclusive of the operations of Jacques Cartier bridge, for which separate accounts are kept.

JACQUES CARTIER BRIDGE, MONTREAL: revenues were $1,105,000, exceeding those of the previous year by $130,000. Operating and maintenance expenses were $148,000, ($120,000). After all charges, there was a net income deficit of $537,000, ($640,000). Toward the deficit, a contribution of $58,000 each by the Province of Quebec and the City of Montreal is payable.

CHURCHILL: Grain shipments 5,500,000 bushels (5,300,000 bushels). Sixteen ocean vessels transported this grain. Traffic statistics were: vessel arrivals, 32 (35); vessel tonnage, 72,000 (73,000); cargo tonnage, 170,000 (163,000).

Operating revenues amounted to $256,000 ($278,000). Expenditures on operation, including administration and maintenance, were $340,000 ($321,000). There was a deficit of $84,000 ($43,000).

VANCOUVER: cargo tonnage was about 5% higher than in 1948 with vessel arrivals, 28,482 (28,947); vessel tonnage, 13,820,000 (13,645,000); cargo tonnage, 9,383,000 (8,962,000).

Operating revenues were $2,261,000 ($2,311,000). Operating and maintenance expenses were $1,209,000 ($1,293,000). After all charges, there was a net surplus of $122,000 ($81,000).

SECOND NARROWS BRIDGE, VANCOUVER: earnings amounted to $269,000, up $14,000. After charging expenses of operation and maintenance, and interest on debt, the bridge showed a surplus of $174,000 ($149,000). This surplus was applied, in accordance with the agreement under which the bridge was acquired, against the expenditure incurred on its reconstruction. To date the amount so applied totals $965,000, leaving an unpaid balance of $46,000.

PRESCOTT GRAIN ELEVATOR: shipments of grain amounted to 14,300,000 bushels (4,700,000 bushels). The accounts showed a surplus of $114,000 (a deficit of $39,000).

PORT COLBORNE ELEVATOR: shipments of grain were 37,300,000 bushels (18,600,000 bushels). The accounts showed a surplus of $194,000 ($62,000).

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GREAT BRITAIN & CANADA INVESTMENT CORP. 1949 net profit of $223,057 was 12.9% higher than the 1948 net of $197,630. Market value of investments increased from $6,782,744 to $7,395,576.

Changes in investment holdings realized a profit of $64,196, after deducting the book loss on the 55 shares of the company's preferred stock purchased at a cost of $3,325 and exchange loss on capital account.

A $6.50 dividend was paid on the preferred stock, cutting preferred arrears of dividends at Dec. 31 to $70 a share. This was paid prior to the year end so the company could qualify as an investment company under the Canadian Income Tax Act, states President P. A. Thomson.

Distribution of investments at Dec. 31 was 16.6% bonds and debentures, 18.4% preferred stocks and 65% common stocks.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total income	$351,102	$336,602
Less: Gen. exp.	25,805	28,004
Taxes	2,240	10,968
Debent. int.	100,000	100,000
Net profit	223,057	197,630
Less: Pref. divds.	392,447	155,835
Surplus for year	▲169,390	41,795
▲Deficit.		
Times Deb. Interest Earned	3.25	3.09
Earnings per Share and Dividend Record:		
Preferred	$6.83	$6.04
Paid	12.00	4.50
Common	0.17	0.10
None paid on common.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$17,321	$110,741
Accts., etc., rec.▲	1,064	3,327
Invest. (cost) after deprec.‡	6,094,376	6,194,822
Accr. revenue	68,541	71,130
Prep. chgs.	450	450
Total assets	6,181,752	6,380,470
Int., tax., accr. exp. .	34,009	60,587
Funded debt	2,500,000	2,500,000
Pref. red. res.	302,219	298,894
Capital stock	2,633,800	2,636,550
Surplus	711,724	884,439
‡Market value	7,395,576	6,782,744
▲Incl. ref. EPT	591	1,044

COLONIAL STEAMSHIPS LTD. reports a 1949 net profit of $567,707, down 10.2% from $631,846 in 1948.

Working capital amounted to $1,294,477 at Dec. 31, 1949 as against $2,090,018 a year earlier.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,085,989	$1,155,283
Less: Deprec.	133,282	133,437
Inc. tax prov.	385,000	390,000
Net profit	567,707	631,846
Less: Divds.	210,000	180,000
Surplus for year	357,707	451,846
Earnings per Share and Dividend Record:		
Common	$18.92	$21.06
Paid	7.00	6.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. bds.	$1,596,437	$2,381,363
Accts. rec., etc.	302,978	341,427
Life ins., c.s.v.	16,900	15,300
Inventories	35,261	36,274
Total curr. assets ..	1,951,576	2,774,364
Fds. in escrow	587,530	......
Misc. assets	96,733	248,475
Invest. in subsid.	6,800	6,800
Fixed assets*	1,410,693	634,480
Total assets	4,033,332	3,064,119
Accts. and tax. pay. .	557,099	584,346
Conting. reserve	100,000	100,000
Total curr. liab.	657,099	684,346
Replace. res.	2,000,000	2,000,000
Capital stock	30,000	30,000
Surplus	1,366,233	949,773
*After depr. of	1,195,333	1,062,907
Working capital	1,294,477	2,090,018

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Proceeds of the sale of the Bonds will be used to retire bank and other indebtedness of the Company and for general corporate purposes. The Common Shares have been purchased from existing shareholders and the proceeds will not go into the treasury of the Company.

Circulars describing these issues will be furnished upon request.

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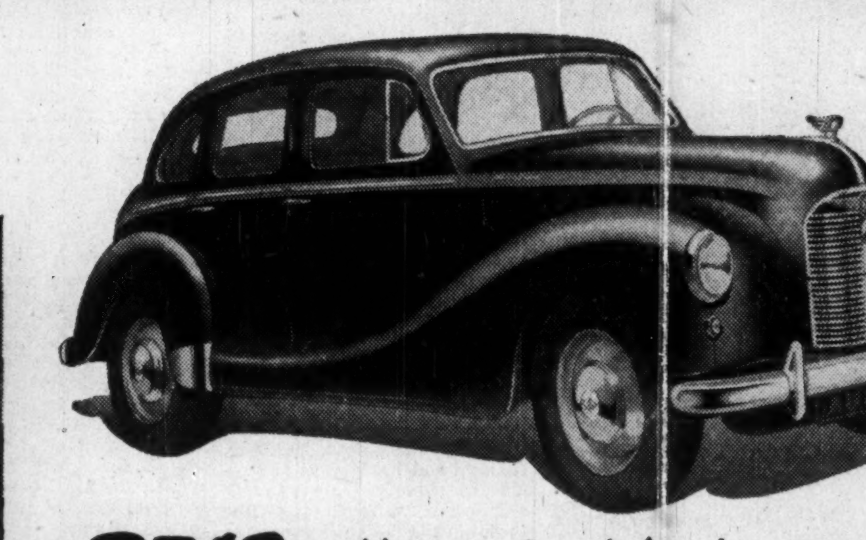

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BRILLIANT PERFORMANCE— There's power-plus in that valve-in-head, high ratio Austin engine, permitting even greater highway speeds and faster starts. You'll marvel at the ease of handling and parking—the effortless "fingertip" steering—the smooth, restful ride.

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● These are only some of the reasons why Austin has achieved such overwhelming popularity . . . why today they are such a familiar sight across the breadth of Canada. But you be the judge. Drop in at your friendly Austin Dealer's without delay for a convincing demonstration. "AUSTIN—THE CAR FOR CANADIANS"

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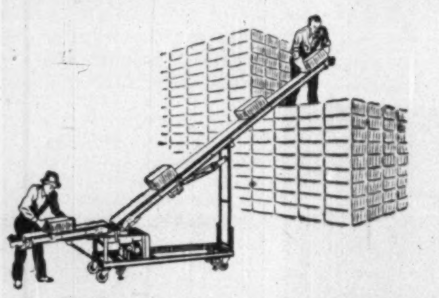

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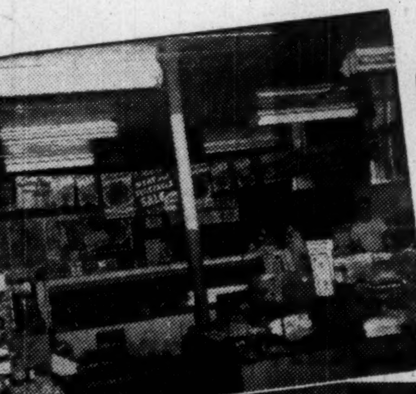

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These all-steel structures, formed of tightly-interlocking panels—walls, roof and ceiling—are the perfect solution of building problems that arise in industrial and mining areas, on construction jobs, in school districts, hospitals, and on farms. They combine strength, solidity and permanence with low installed cost and low upkeep. Shipped "knocked-down", they are easily and quickly erected by unskilled labour; paintgrip surfaced, ready for painting if desired. Attractive-looking and comfortable, they are adaptable to a wide range of purposes. Sizes 4 to 40 ft. wide, 8 to 14 ft. high, almost any length you require.

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What's New

Dress-Up Refrigerator
Simulated oriental walnut grain finish on enamelled steel distinguishes "low boy" refrigerator for the business and professional office, single-room apartment, rumpus room. Now offered only in New York area (at $223) it's two feet wide, a little more in depth, 4 cu. ft., with 8½ sq. ft. of shelf. Three coats of highly polished clear lacquer protects the dress-up finish.

* * *

Movie Camera Case
Zippered compartment in top of new U. S. camera case is for gadgets, filters, extra lenses. Expansion compartment in the body adjustable to fit any movie camera. Additional space for two to four magazines of film, exposure meter. Case measures 9 x 7 x 4-inch "light suntan" saddle-leather, yellow saddle stitched, with big chromium snaplock.

* * *

Lawn Spray Timer
Water timer turns off hoses, sprinklers, saves time, water, protects growth against overwatering. California maker's "Joyslen" is small gadget. Couple it to any standard threaded faucet before hose attached, then turn control knob to govern quantity of flow till shutoff. Will be available soon with pipe thread fittings. Device offered in three varying "cycles": to run ½, 1 and 1½ hours with automatic variation for below- or over-average pressures.

* * *

Smooth Typewriter
Just introduced in New York at $69.50 retail is standard, full-size portable typewriter with shift freedom and "the segment shift" previously confined to higher-price portables and office machines, says maker. "Eliminates eye and nerve strain of bobbing carriage," is claim.

* * *

No-Clutch Fork Lift
There's no friction clutch or ordinary transmission on gas-powered, 5-ton fork lift truck "Dynatork" drive, according to Michigan maker. Boosts work capacity, efficiency, cuts driver fatigue, maintenance. It transmits engine power (50 brake horsepower at 1,800 rpm) through a magnetic field, across an air gap; has constant-mesh forward and reverse gearing instead of conventional transmission. Machine turns readily in intersection aisles 88 inches wide, outside turning radius 104 inches, inside turning radius 12 inches.

* * *

Keeps Pipes Cold
Small, "dead air" cells in Styrofoam expanded plastic makes efficient lightweight insulant to cover low temperature pipe, vessels, explain Michigan and Ontario manufacturers in announcing quick acceptance by industry of their K-shield pipe insulation. Material is described as highly workable, rigid, its own moisture barrier, with high resistance to moisture-vapor mold growth, rot, decay, requiring no vapor seal coat. Can be cut and fitted with ordinary tools. For pipes, interlocking design does away with bands or wire.

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance to its field.

Enquiries concerning items in this column should mention the heading to the item, and the date of issue in order to ensure prompt reply.

* * *

Throw-Away Drums
Arrival in Singapore of a recent Canadian acetic acid shipment marked a first for the chemical and aluminum industries — the acid went 20,000 miles in 5-gal., nonreturn metal cans instead of the usual heavy carboys and demijohns. Developed by Montreal maker and fabricated of rolled Canadian aluminum, the midget drums are just over a foot tall, about the same across, weigh less than three pounds. Aluminum, chemical, food and can industries are looking ahead to possible use for vegetable oils, nitric acid, hydrogen peroxide, formaldehyde, some detergents. Body seam is argon arc welded; top and bottom are joined to body by mechanical double-lock seams.

* * *

Pen-Size 'Geiger'
Toronto distributor for Kentucky maker is supplying the Keleket self-indicating pocket "dosimeter" to cancer centres and labs working with radioactive materials. Like a similar British device (The Financial Post, Feb. 4 "Pocket Atom Detector") it measures X- and gamma radiation, useful to radiologists and X-ray technicians, scientists, lab workers and others working with X-rays or radioactive materials. "Dosage" accumulation is read by pointing device at a light source and noting distance fibre image has traveled on magnified scale. Instruments are served by a power charging and light source battery unit in a cast aluminum case.

* * *

Stone-Lined Tank
Steel tank electric water heaters from Pennsylvania have ⅜-in. "hydraulic" stone lining applied in plastic form by centrifugal process. It hardens to form water-resistant seal said low in heat conductivity, practically impervious to corrosion. Doesn't change water taste or color, maker says. Stone holds the water; steel simply contains pressure. Heaters come in round and table-top models and for industrial, marine, home and other building use. Recommended where corrosive water conditions threaten rust, leaking, short life to metal.

* * *

Hot Factory Fire
Furnace for large industrial boilers generates heat up to 3,000 degrees F, reduces smoke residue. Developed by major U. S. combustion engineering concern, "cyclone furnace" burns crushed coal, other fuels in whirling tornado of flame with higher temperatures to burn more of combustible content plus centrifugal action to throw residue against furnace walls where it melts, drops into pit as slag.

* * *

Machine Load Watchdog
Mechanical torque-arm overload release from Philadelphia automatically protects equipment slow-speed machinery against shock impact and choke-load, obstruction, "frozen" bearings, misalignment. Applicable to elevators, conveyors, mixers, blenders, said to cut machine maintenance costs and minimize time out due to damage. Quickly installed without altering drive. When release acts, it automatically disengages, is reset by operator.

* * *

Raincoat for Walls
Enamel with plastic rubber base coats concrete, stucco, masonry wall above or below ground, inside or out, has lasting color, lustre, says New York City maker. Other claims: Evenly covers rough surfaces; resists chemical action of lime alkali in cement, etc., withstands traffic, impact, abrasion, scrubbing, acids. Colors: silver grey, lead grey, terrace red, patio green in quarts, gallons.

* * *

Elevator Backstop
Said to be one of simplified design, new backstop to prevent bucket elevators, inclined conveyors from backing up, running away, is ready-made for immediate installation. A ratchet-type device working automatically if overloaded, if power cut off, etc.

* * *

Gearless Gearbox
Making possible 5% to 200% production increases, new "Variator" or "gearless-gearbox" replaces gearbox, or other form of speed control on machinery, according to English maker. Machine is based on four revolving balls on axis that alters to make them spin in increasing or decreasing arc, thus adjusting speed transmitted to shaft. Said simple, inexpensive, requiring oil change only every 500 working hours. Handle records shaft speed on graduated dial. Speeds up to 4,000 rpm on output shaft working from motor running 1,500 rpm, two variators give increase up to 10,000 rpm, firm states.

℞

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For the tired business man and the resort-weary traveller NEWFOUNDLAND is just what the doctor ordered. Find glowing health in this bracing, glorious climate that is cool and buoyant. No hay fever, no rush and hurry — only pastoral valleys, silent forests, quiet villages, lakes and streams and the healing powers of the all outdoors.

Though you may have seen the far corners of the earth here is a country that is different. This year find balm for your brittle nerves and in so doing discover the beauty and charm that is Newfoundland's.

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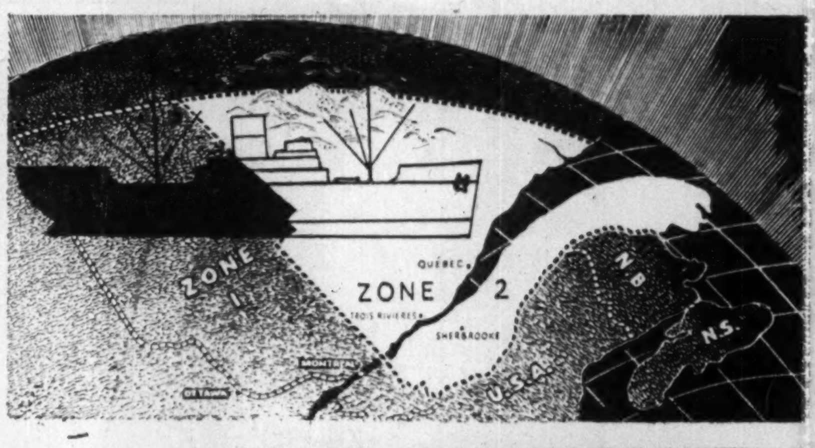

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Overflow circulation of "outside" dailies is negligible.

The ZONE 2 Dailies blanket the urban areas of Québec City, Trois Rivières and Sherbrooke — provide unbeatable coverage of the *entire area* of ZONE 2.

This vast area east of the Montreal and Ottawa Valley districts abounds with progressive industries, fisheries, farming, lumbering and mining communities. Advertising in ZONE 2 Dailies taps a rich vein of payroll dollars from pulp-and-paper, aluminum, hydro-electric, asbestos and other major enterprises. It will help you build *your* full sales potential in the prosperous Québec market.

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Total Net Paid Circulation 115,567*
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La Tribune
Total Net Paid Circulation 18,046*
SHERBROOKE. Also, wealthy agricultural and industrial Eastern Townships region, including large summer colonies and resort hotels.

*156,446 — Combined Net Circulation of ZONE 2's three papers. A.B.C. first quarter of 1949.

For brochure fully describing this rich heart of the Québec market, write, phone or wire to
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"Maclean's reaches our two important groups

. . . *those who buy Community*

and those who sell it"

This Community advertisement appeared as a four-color, full-page ad in Maclean's, December 1, 1949. 36% of the men and 71% of the women who read the issue recalled seeing this advertisement, according to Starch Magazine Readership Service.

says Joseph S. Bliss

Managing Director

Oneida Ltd.

"The sales of COMMUNITY Silverware on this continent have been built on magazine advertising.

"We have placed our advertising in Maclean's for over thirty years, not only because of its big audience of potential buyers of COMMUNITY, but because of the dealers across Canada who read it regularly.

"The high readership of our four-color advertising, as shown by the Starch Surveys, is proof that our choice of Maclean's has always been sound."

Every advertisement of a quarter page or more in every issue of Maclean's is now checked by Starch Magazine Readership Service. This important service, introduced into Canada a year ago, is valuable in gauging the effectiveness of individual advertisements as well as indicating the strength of the medium.

A Maclean-Hunter Publication

CANADA'S NATIONAL MAGAZINE

MACLEAN'S

Edited by Canadians For Canadians

The Financial Post

Vol. XLIV | Member of Audit Bureau of Circulations | Publication Office: Toronto, April 15, 1950 | Fifteen Cents an Issue, Six Dollars a Year | No. 15

Taxpayers' Airline: How Does It Stack Up?

Why TCA Dives Into Red, What's Being Done About It

What's the score on TCA's highest-ever deficit of $4 millions on last year's operations? When, if ever, can the tax-paying airline owners expect a profit on our huge investment? Why are we in the flying business? Here's an analysis of TCA problems, achievements, specially written for The Post by a leading Canadian authority on aviation.

By RONALD A. KEITH
Editor, Canadian Aviation

During its 12th full year of operation, Trans-Canada Air Lines logged a deficit of $4,317,594. While picking up this $4.3 million chit, the taxpayers might be excused for asking some questions.

TCA was incorporated by Act of Parliament 13 years ago this month. It enjoys a domestic mainline monopoly. Its operating revenues were never higher. Why, then, is the 1949 loss highest in its history? When, if ever, can we, the tax paying airline owners expect a profit on our huge investment? What are we doing in the flying business anyway?

To answer such questions intelligently, it is important to understand certain basic facts about airline operation and how these apply to our own air services.

It is not generally realized, for example, that TCA is really two distinct airlines. Trans-Canada Air Lines actually operates only within North America. A subsidiary, Trans-Canada Air Lines (Atlantic) Ltd., operates the 8,300 over-ocean route miles linking Canada with England, Scotland, Ireland, Bermuda, the Bahamas, Jamaica, Barbados and Trinidad.

The latter shares top management and functional organization with the parent company, but is a distinct corporate entity with its own financial structure and a separate fleet of aircraft.

The longer-established domestic TCA is much healthier, financially, than the ocean-crossing TCA. Its 1949 loss ($1,419,444) was just half the trans-Atlantic deficit ($2,898,150). Furthermore, the financial fever-chart of the continental TCA is expected to achieve a budget-balancing normal in a year or two, barring a depression.

The Atlantic-spanning subsidiary suffers from traffic malnutrition during much of the year. The prescription: enough ocean traffic to eliminate off-season cut-backs, which would mean greater utilization of the existing staff and aircraft. Even the enthusiastic Mr. Howe can't see the break-even point inside five years.

Suffering in Three Ways

The experts who have been applying their critical stethescopes to these financially ailing airlines have diagnosed a triple malady: Trans-Canada Air Lines, in both versions, is suffering from expansion, depreciation and seasonal fluctuation.

Although our domestic air service took off in 1937, its normal expansion was cramped by wartime restrictions. The 1939 fleet of Lockheeds was virtually frozen while plane manufacturers were preoccupied with military production. As most of the airline's seating capacity was priority-controlled, there was no future in organizing a traffic sales organization in the war years. Thus, when the fetters were removed at the end of 1945, TCA burst into an unprecedented expansion of personnel, route mileage, ground equipment, and air fleet.

At the end of 1945, the TCA winged fleet consisted of 11 Lockheed 14's, 14 Lockheed Lodestars, and three Douglas DC-3's. Total capacity was 399 seats.

Today, for its domestic and ocean services, TCA operates 20 North Stars and 27 Douglas DC-3's. Total capacity: 1,345 seats. Increase: 300%.

Meantime, route mileage has tripled in the past four years from 5,299 to 16,388, while personnel has jumped from 3,272 to 5,137. The airline's carrying capacity, measured in available ton-miles of transportation, has multiplied five and a half times, from 15 millions in 1945 to 82 millions today.

Replacement of the Lodestar fleet with the DC-3 and North Star combination has been a monumental undertaking. It has meant virtually writing off 25 airliners and purchasing 47 new planes at a cost of over $17 millions.

Some airlines depreciate their aircraft on a 10-year basis. TCA has been depreciating the North Stars over seven years, the DC-3's over a four-year period.

In addition, the investment in maintenance and overhaul equipment for the Merlin-engined North Star fleet has reached an impressive total. Thus the interest on capital investment has combined with depreciation to drag the domestic operations below the break-even level and bog the Atlantic service deep in the red.

The TCA North American services in 1949 showed a $1.9 million surplus of operating revenues over operating expenses. The depreciation charge of $2.8 millions, plus $470,685 interest on invested capital, converted this surplus into a $1.4 million deficit.

The Atlantic operation's operating expenses were $1.3 millions over revenues. Depreciation of $1.2 millions and a $290,781 interest charge hiked this deficit to nearly $2.9 millions.

Obsolescence Key Problem

An ironical feature of this aircraft depreciation problem is the fact that these planes which are being written off in four to seven years actually would keep on flying for many more years. Airliners don't wear out. They just become obsolete.

A good example of this was a 10-year-old DC-3 recently sold by Northwest Airlines. During the past decade, this plane had flown the equivalent of 2,000 Atlantic crossings, had made 40,000 landings and take-offs without accident, had changed its engines 50 times. When the $125,000 veteran airliner was pensioned off to a Mexican feeder line for $25,000 it was as good as new. The periodic maintenance and overhaul checks had kept the plane in first-rate condition. Probably it will go on flying for another decade or more.

Similarly, TCA's North Star fleet could go on flying for another 15 years and still be in top shape. However, the industry won't stand still. Bigger, faster, more comfortable and more economical planes take to the skies. The competition and the customer make the old planes expendable. When the jet airliners start whistling over the world's air routes, anything with fans in front will be on the way out, no matter how perfect its mechanical condition.

Considering the fabulous cost of buying, operating and depreciating these airliners, it is obvious that there is no profit while they repose in the hangar and there is no payoff in ferrying empty seats across continent and ocean.

Thus, seasonal traffic fluctuation, with its symptom of low load factor, is TCA's most grievous ailment. On the average for 1949, TCA's North American routes were flown with one third of the available seats empty. On the Atlantic, the load factor was 64%, which means that 36% of the seats crossed the ocean unoccupied.

This would not be as serious as it is if there were a uniform flow of traffic. Schedules, frequencies and equipment could be scaled to the demand. However, there is a sharp seasonal fluctuation, credited largely to the notion that winter flying is less comfortable and less reliable than summer flying. This means that crew and equipment for the peak periods are partially idle during the seasonal slumps.

The situation has been described by Gordon McGregor, TCA president, as follows:

"If you draw a graph representing passenger traffic from January to December, the curve will look like the silhouette of a man's head and shoulders. Through January, February, March and April, the curve lies horribly low along one shoulder. It jumps sharply up the side of his head in May and for the four months June to September it lies happily above the break-even point, across the crown of his head. In October it tumbles sharply down, to move out the other shoulder with perhaps a little bump of tailor's padding in December . . ."

On the domestic operation, TCA averages 65,000 passengers a month during the four summer months, and 45,000 passengers for each of the remaining eight months.

"Few businesses are as helpless as an airline in trying to relate expenses to varying volumes of work performed," the president notes. "The staff of an airline is its greatest asset, the cumulative result of costly training and experience. It would be both uneconomical and unsafe to scrap that asset by laying off personnel during slack periods.

"Furthermore, all the fixed charges associated with each aircraft, valued at $750,000 apiece, go on whether or not that aircraft is being used to maximum capacity. Flight frequency can be reduced, but this does little more than save the airline the cost of the fuel which otherwise would have been consumed."

On the Atlantic, the traffic is not only influenced by the seasons but is strongly directional as well. At certain times, eastbound flights may be sold out while the planes are returning almost empty. Another unfavorable factor on the ocean runs is the higher cost of operation, with longer stages, fewer traffic stops, higher fuel loads. It is not unusual for a transatlantic airliner to take off with 3,200 gallons of fuel, weighing 11 tons.

What can be done about seasonal fluctuation? One attempt at remedy has been the launching of southern services: to Florida, Bermuda and the Caribbean. The seasonal peak on these routes matches the winter traffic valleys on the northern routes. Thus the skyways to winter playlands should have a tonic effect on TCA's financial system.

More important is the task of educating the public to the fact that winter flying is safe, reliable and pleasant. It was not ever thus, of course, but the pressurized cabin (which maintains low-altitude cabin atmosphere at 18,000 feet or more) now enables the North Stars to cruise in sunshine, above the weather.

Also, improved navigation aids, such as the Instrument Landing System, now make it possible for the airline to fly safely in most weather. (97% of all TCA's scheduled mileage was completed in 1949.)

The Atlantic traffic variations are being attacked by the introduction of special excursion tariffs designed to increase the popularity of winter flying as well as to offset directional emphasis.

In addition to traffic fluctuation, which can be influenced, it must be recognized that there are certain limitations imposed on our national airline by Canadian population distribution and geography. One of the major airlines in the United States has applied to the Civil Aeronautics Board for permission to drop from its main line schedules all cities of 525,000 population or under. TCA, however, is winging the 3,700 miles from St. John's to Vancouver with only three traffic centres of more than 525,000 population (Montreal, Toronto and Vancouver). Furthermore, our geography has imposed vast wilderness stretches between the mainline stops. (For example, the 1,000 miles between Toronto and Winnipeg).

The merits of the Merlin-engined North Star aircraft were questioned again by George Drew, opposition leader, during the discussion of TCA in the House of Commons transportation committee recently.

While it is admitted by North Star exponents that a series of detailed engine bugs caused some headaches in maintenance and flight operations of the airline early last year, it is argued that the plane's record is at least as good as comparable types, such as the Constellation and the DC-6.

If, indeed, the North Star were a failure, as suggested, it would be hard to understand how TCA was able to achieve the highest schedule-completion performance in its history last year—a record, incidentally, which is eyed with envy by most of the other big airlines.

So far this year, says TCA, the Merlins are turning in a more reliable performance than the highly reputed Pratt & Whitney radials. TCA is flying 54 radials (on the DC-3's) and 80 in-line Merlins. In January, the Merlins flew 3,014 engine hours per failure compared with 2,947 for the radials. In February the corresponding figures were 3,057 hours and 2,153 hours respectively.

This analysis has been concerned largely with the passenger traffic picture. However, there are two other chief sources of TCA revenue, air mail and air cargo. The revenue ratio of these on TCA North American services in 1949 was: Passengers 73%, Mail 20% and Cargo 4%. On the Atlantic: Passengers 69,% Mail 12%, Cargo 8%.

The post office department paid about $6 millions to TCA in 1949 for carrying mail. It was suggested by a senator, during a Senate transport committee hearing, that this was, to a certain extent, a subsidy for the airline.

This notion may have stemmed from the fact that in the United States the Post Office department has been used as an instrument of airline subsidy. Actually, there is no comparable setup in Canada.

In the United States an airline with expenses above revenues has been able to appeal to the Civil Aeronautics Board. After investigating the airline's efficiency, the CAB can refer the problem to the post office department which is authorized to make up the deficit in the form of retroactive mail pay. The basic idea is that the airlines perform an essential service and must be maintained in a healthy condition.

In Canada, on the other hand, the mail rate is a subject for straight business bargaining between the Post Office and TCA. Actually, the 1949 mail pay to the airline was about the same as in 1948, even though TCA carried 48% more mail than in the previous year.

With increasing volume carried, TCA's ton-mile mail rate has been on a descending scale. In 1940 the airline got $6.40 per ton mile. The 1949 rate, under the all-first-class-by-air arrangement, is $1.50 per ton-mile. (This compares with approximately $12 per ton-mile which the U. S. Post Office pays to Colonial Airlines on the New York-Montreal route.)

Air Cargo

Unlike the comparatively finicky passenger business, air cargo escapes drastic seasonal fluctuation. Although as yet it does not occupy an impressive portion of the TCA revenue picture, it represents a very important by-product of the passenger-flying business. TCA got into the cargo business in 1948, with the bigger aircraft. Last year, express and cargo yielded $1 million on the North American routes and $792,243 on the Atlantic services. The trend seems to indicate an important source of future revenue for the airline.

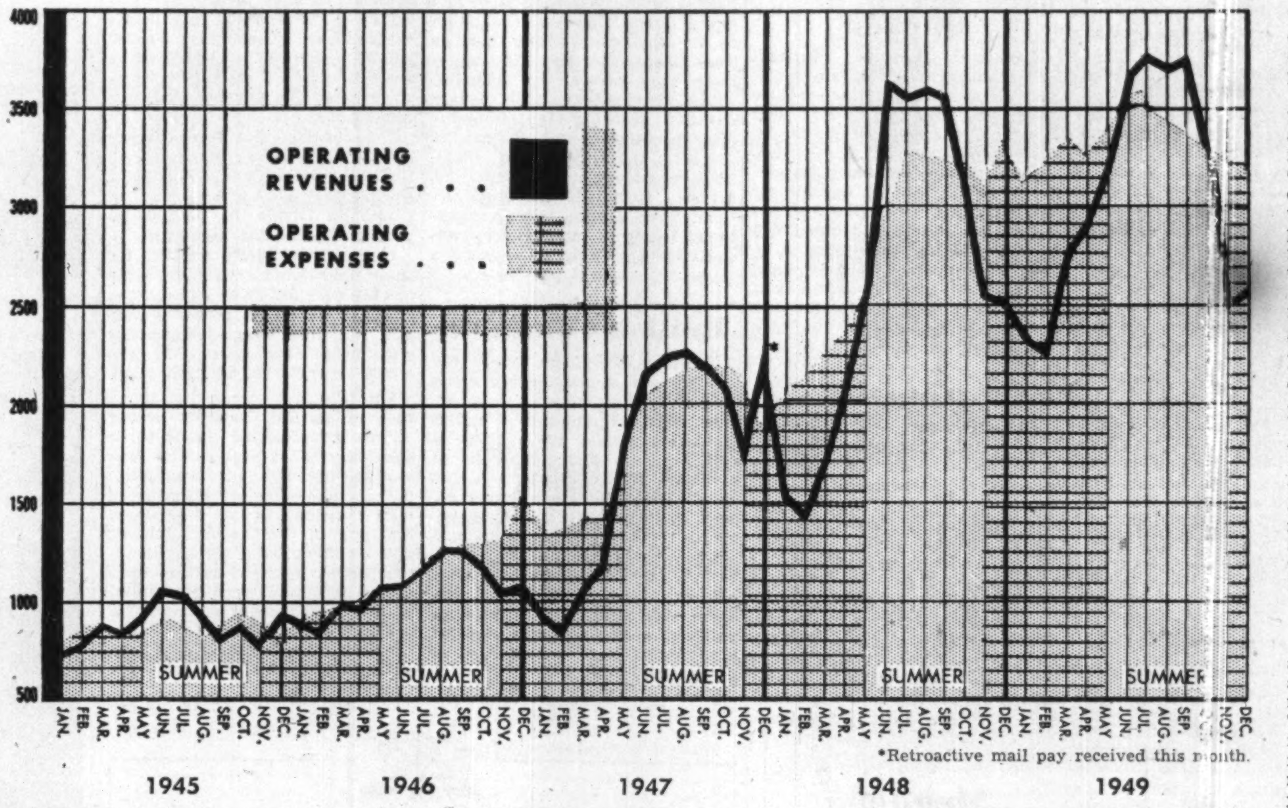
Atlantic air cargo ton-miles flown by TCA in 1949 increased 121% over 1948. The corresponding increase for the North American services was 47%.

In seeking to assess the achievements of Trans-Canada Air Lines and the significance of the airline's 1949 deficit, the defense value of its transport fleet should be taken into consideration. The lessons of the last war, which were emphasized closer to home during Operation Muskox and subsequent military exercises, have illustrated predominant importance of large-scale air transportation.

The existence of TCA's 47-plane fleet with the operating experience and maintenance facilities is a defense credit not to be overlooked.

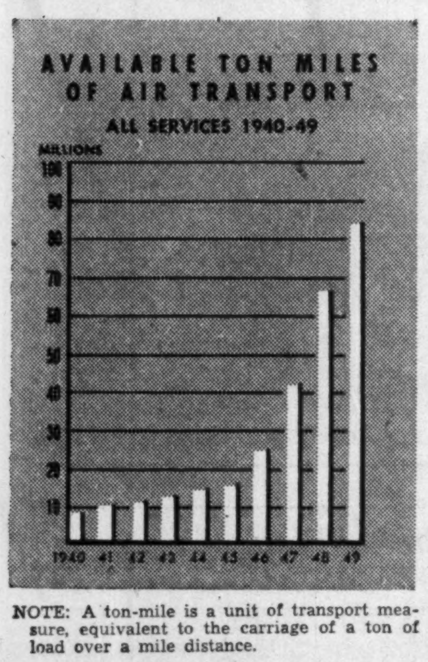
Altogether, the consensus of impartial observers, and the evidence on record, indicates that Trans-Canada Air Lines is doing an efficient and vital job.

Here's TCA Revenue-Expenses Record

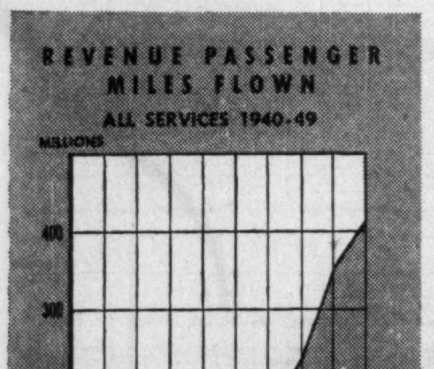


*Retroactive mail pay received this month.

Where TCA Gets Revenue



NOTE: A ton-mile is a unit of transport measure, equivalent to the carriage of a ton of load over a mile distance.



NOTE: A passenger mile is a unit of transport measure equivalent to the carriage of a single passenger over a mile distance.

How TCA Record Compares With U.S. Lines

Comparative Operating Statistics for the Domestic Services of TCA and 16 Major United States Airlines; Years 1949 and 1948

	T.C.A. 1949	T.C.A. 1948	T.C.A. % Inc. or Decrease	16 U.S. Trunklines 1949*	16 U.S. Trunklines 1948	16 U.S. Trunklines % Inc. or Decrease
Revenue Miles Flown	16,364,733	15,270,649	7.16%	326,376,000	317,428,179	2.82%
Revenue Passengers Carried	648,574	532,555	21.79	14,332,000	12,375,083	15.81
Revenue Passenger Miles	310,699,767	249,575,544	24.49	6,688,700,000	5,851,846,000	14.30
Available Seat Miles	459,842,123	367,455,955	25.14	11,234,200,000	10,016,286,000	12.16
Revenue Passenger Load Factor	67.57%	67.92%	0.52	59.54%	58.42%	1.92
Aver. Psgr. Load Per Revenue Mile	18.99	16.34	16.22	20.49	18.44	11.12
Aver. Seats Available Per Revenue Mile	28.10	24.06	16.79	34.42	31.55	9.10
Aver. Passenger Journey—Miles	479.05	468.64	2.22	466.70	472.88	*1.31*
Express and Freight Ton Miles	1,938,108	1,412,982	37.20	121,698,000	100,206,694	21.45
Mail Ton Miles	3,403,810	2,294,088	48.37	40,972,000	37,509,922	9.23
Available Ton Miles	63,449,171	48,800,587	30.02	1,521,667,000	1,357,882,154	12.06
Revenue Ton Miles	35,843,949	28,195,275	27.13	815,523,000	706,247,233	15.47
Weight Load Factor	56.49%	57.78%	2.23	53.59%	52.01%	3.04

*December Estimated.

Can Canadians Be Cured As Forest Arsonists?

Scandinavians Have Problem Licked, Can They Show Us How To Do It?

Robson Black is president of the Canadian-Scandinavian Foundation and former president of the Canadian Forestry Association. He writes here a fourth article from Sweden, especially for The Financial Post.

By ROBSON BLACK

STOCKHOLM—The annual forest fire season in Canada is at hand. If it keeps to the pace of previous years it will cancel in 1950 about 3,000,000 acres from the ledger of woodland assets.

The same yearly plague will hover over the rich forests of Finland, Sweden and Norway. For trees burn freely under all flags. But Scandinavia, gauged by past records, will not lose more than 25,000 acres of timberland. True, the Scandinavian countries have just a fifth of the woodlands of Canada, but they manage to get from them a larger volume of wood products than does the whole of Canada.

What explains the persistence of Canada's annual spate of forest burning in a day when forest industry climbs to new heights and raw material moves to higher values? Is there a "system," or technique, we might borrow from the Swedes or the Finns? Certainly we Canadians are eager for a way out of a predicament that turns public-owned woods into an annual bonfire consuming enough lumber to build 80,000 five-room bungalows.

The long and short of Scandinavian forestry is that everybody is in it. The woods are plainly in sight of cities, towns, villages, and all woods are in a pleasant pattern of carefully planned management. In Ontario, by contrast, the bulk of population lives in the agricultural and manufacturing south, while the main body of provincial forests lies over the northern horizons.

Even the parcels of woodlands on Southern Ontario farms are seldom a showpiece of skilled cultivation and visible profit. Mostly, they're what the farmer considers ragtag remnants that refuse to take a plow.

It isn't surprising, therefore, that mass opinion in Ontario has never yet assumed custodianship of the immense provincial forest wealth vested in the people's name. A couple of years ago, 700 members of the Canadian Manufacturers' Association met in annual convention at Toronto, and one of the best-advertised sectional meetings was on "Forest Conservation." Eighteen attended.

Are We Interested Enough?

So long as Canada's forests—most easily perishable of all natural resources—are brushed off by Canadians as the private bailiwick of government and industry, so long will forest fires blaze. Rarely do we save what we're not interested in.

Of Sweden's annual forest destruction in a wooded area similar to British Columbia's, only about 25% is due to the general public. Canada usually charges culpability of 80% to the same source. One of the sharpest contrasts has to do with woods workers.

In Canada they frequently are a fire-ranger's headache, but in Sweden, where the forests hold as many as 200,000 workers in a busy season, such people enjoy an almost unbroken record for keeping the woods fireless. Minor blazes do break out, but are promptly suppressed by the working crews.

In Canada, the careless and virtually criminal conduct of tourists, campers, fishermen, and other casual users of the woods builds up as many as 3,000 forest fires in a single summer, whereas the Swedish public rarely contributes as many as 40.

So rare, indeed, are forest fires in some of the most densely forested and populous sections that the writer recently met a Swedish fire-ranger who had not seen a single woods fire in 25 years.

So well-confined and so predictable is the forest fire factor in Norway and Sweden that 80% of all timberlands are covered by cheap policies. The forest-insuring business has proved so profitable that the companies, mostly mutual, make annual gifts of $50,000 or more to help build more lookout towers. Within the past year Swedish policyholders were assured further immunity from fire hazards by a national law obliging 2,800 town and village fire brigades to spread their suppression services to all woodlands within their reach.

Weather, Operational Factors

To present the fire situation in Scandinavia and Canada as a dramatic contrast, reflecting caustically upon the Canadian people, is not quite fair without bringing other factors into focus. Our Canadian spells of intensely hot and rainless weather are not paralleled in Scandinavia.

Furthermore, our Canadian woods are littered with debris from windfall and decay and the unavoidable rubbish of cutting operations.

Such accumulations of fire tinder do not occur in lands given to intensive forest management, for their woodlands are thinned and cleaned in regular rotations and the costs are met through sales of extracted material to neighborhood markets. Generally speaking, there are no such markets within reach of Canadian operators and no present method of paying for a thorough cleaning-up process.

To all this another balancing factor must be added: Sweden has seven millions of people to buy much of her domestic forest production—seven million patriots to insist upon good forestry as the top-ranking economic and social commitment of the nation.

Line up Sweden with British Columbia and we find an identical forest area but an obvious advantage of six million more people.

Germany has a wooded domain of equal size, but 70 million people provide an eager market for every wood product down to a bundle of faggots and, what's so important, they furnish 70 million personal reasons why home forests should flourish.

Finland has 42 million acres of productive woods that would fit into a corner of Quebec, and almost every acre is either the personal property or the pay envelope of 3,700,000 persons.

Not one of them wants his dividends changed to charcoal. The lesson to be drawn from all this hardly needs stating. The best way to keep a forest intact is to surround it with people who can't live without it.

Unfortunately, Canada's geographical immensity and sparse population render such conditions unattainable for decades to come. One remedy, however, does lie within reach: education of the whole Canadian public to come to grips with forest conservation as the alternative to national insolvency.

Forests Are Investment Trust

Nobody in Scandinavia has any genius for "conservation" that Canadians could not emulate with equal success. It so happens that Canadians have been trained to treat their natural resources as a spending account, with capital and interest pouring from the one spigot.

Scandinavians view those resources as an investment trust which wise direction may make exceedingly profitable, but under no circumstances by squandering the capital funds. When Canadians take over this "capital-and-interest" conception, good forestry will be well into its stride.

Since we cannot, as happens in Scandinavia, join our people personally with their forest domain, we can at least take the forest to the people. Education can do exactly that, for Canadians are given to shrewd and highly patriotic decisions once they have the facts and inspirations of a vital issue set clearly before them.

Right now our people stand in a dangerous twilight: the nonsense of "illimitable" endowments and a blurred emotion that something ought to be done to give coming generations an honest legacy.

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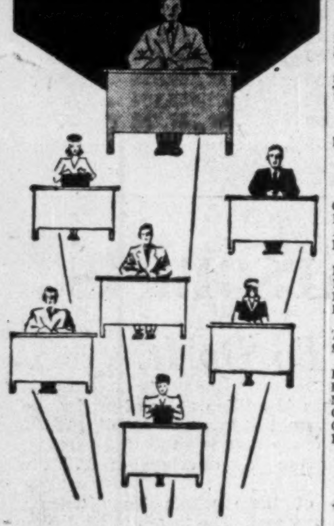

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Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

Newfoundland

Plan "Newfoundland Day": June 24, the day John Cabot first landed on the island is due to become "Newfoundland Day" if a movement now under way materializes. Sponsored mainly by private enterprise and smiled on by Ottawa, object would be to make the new province better known to the other provinces. To this end Premier Smallwood indicates he will visit West to invite premiers of each province to attend the affair. In the East, Health Minister Chalker will extend similar invitations. Gala event would include special Army, Navy and Airforce displays.

* * *

Prince Edward Is.

One Last Dig: Two weeks of budget debate had seen all of the legislature's six Progressive-Conservatives, 24 of its 30 Liberals on their feet in sometimes heated argument. R. R. Bell (PC, Queens) got in his wallops just before the talk switched to estimates and with prorogation days away. He doubted operation of motor vessel Eskimo by the government's PEI Industrial Corp. in trade with Newfoundland was legal under the BNA act. Besides, Mr. Bell said crossly, the operation hadn't helped boost over-all trade volume in that market. Then he hit at "unnecessary salaries and traveling allowances highly out of proportion"; charged such expense is "too big a contributor to the province's rapidly rising debt."

* * *

Nova Scotia

Pensions For MLA's?: Unprecedented in Canada though often discussed by Ottawa and by other provinces, a bill authorizing contributory pensions for cabinet members who complete 10 years in the ministry has been introduced in legislature by Premier Macdonald. Under it ministers would pay 8% of salary into a pension fund, the province matching the contribution. Maximum pensions would be 70% of a minister's salary after 14 years' service but a minister would lose his contribution if he died, retired or was defeated before completing three years' service.

* * *

New Brunswick

Clam $ $ Chowder: Once a "poor relation" of oyster, lobster business, New Brunswick's clams have become a near million dollar industry, according to a report of H. J. Robichaud, director of the fisheries division of the provincial Dept. of Industry & Reconstruction. More than 12 million lb. of clams were harvested in the province last year, keeping seven shucking plants busy preparing fresh clams for the U. S. market. Canning plants turned out 32,000 cases, another new high. An equally favorable year in 1950 is anticipated.

* * *

Quebec

Lapalme? Nadeau? Marler?: When smoke clears at provincial Liberal convention, Quebec City May 19-20, who'll be leader? Hon. George C. Marler, member for St. George-Westmount, who wears the mantle now and heads legislature's small Liberal opposition? George-Emile Lapalme (l'Assomption - Joliette- - Montcalm)? Jean-Marie Nadeau, defeated in Rouville county at last provincial election? All three are in the running and nobody knew the answer at prorogation of the 23rd legislature last week.

* * *

Ontario

20 Industries For Ontario: Although it costs $150,000 a year to maintain it, from the point of view of public relations and advertising, Ontario House, London, England, has justified its existence in the opinion of Hon. William Griesinger, minister of planning and development. He credited the office with bringing 20 industries to Ontario last year. Replying to Miss Agnes MacPhail, who asked what Ontario House could do that Canada House couldn't, Griesinger maintained this year's estimates were down $280,000 to avoid duplication of services.

* * *

Manitoba

There's Work On The Prairies: In the opinion of H. J. Bird, Winnipeg, president, Bird Construction Co., big-scale construction housebuilding firm, construction work on the prairies will change the whole unemployment picture in a few months. With the advance of spring he anticipates all available labor in the three prairie provinces will be needed with even a shortage on some jobs. Within a few weeks, his firm alone, with branches in five prairie cities, will employ 1,000 men. To oil, irrigation and power undertakings he credited this construction prosperity. Said he, "the oil pipeline from Edmonton to the Great Lakes is without doubt the biggest economic factor in the history of the West."

* * *

Saskatchewan

Mine Coal? Refine Oil?: Saskatchewan's Power Corp. may enter coal mining, oil refining, pole manufacturing businesses under new amendments to Power Corporation act. Public Works Minister J. A. Darling said the right to produce and sell coal and oil isn't required now but there's possibility lignite might someday be mined in Shaunavon and the corporation might want to undertake production in that area for its power plants. In that event, it would be able to sell any surpluses. In Prince Albert, Mr. Darling said, a company is building a plant capable of refining crude into Bunker "C" oil; at any time after a year's operation, the power corporation under an existing agreement could buy it at cost less 5% for depreciation. Here again any surplus could be sold.

* * *

Alberta

Book Full Of Alberta: Flood of enquiries as to what makes Alberta tick prompted the Provincial Government to write a book. This ended up as a mammoth 404-page volume of statistical "Facts and Figures." Biggest production of its kind ever undertaken by provincial authorities, 5,000 copies have been printed for distribution. Preparation took eight months, printing ten. Showing gross production at $1,053,235,318 in 1948 ($376,420,786 in 1920), book covers agriculture, minerals, forestry, furs, fisheries, manufacturing and trade; reveals province's swing to industrial expansion while holding its own as a great agricultural province.

* * *

British Columbia

Mounties To Take Over: Regarded as a security measure and as a move that will save the province $500,000 annually, British Columbia Police, oldest provincial force in Canada, is to be absorbed by the RCMP. A bill before the Legislature leaves details to be worked out by negotiation between federal and provincial governments. Opponents see the move as an "unwarranted centralization" of police power. They regard provincial control of police as a good safeguard against the possibility of a new kind of government at Ottawa.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

GURNEY FOUNDRY CO. net profit of $414,278 for 1949 was almost 2.5 times 1948's $169,416. Sales showed a sharp increase.

The West Toronto plant and inventories were sold, effective April 1, and the company will vacate the heating business, concentrating on the stove and range business.

President E. H. Gurney reports that improvements have been made to the St. Laurent plant, looking toward future competitive conditions.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net income	$882,266	$371,965
Add: Other inc.	33,129	33,790
Net earnings	915,395	405,755
Less: Deprec.	135,873	87,312
Bank int., etc.	11,768	6,499
Bond interest	25,963	27,879
Min. int. in subsid.	9,531	4,654
Taxes res.	317,982	109,995
Net profit	414,278	169,416
Less: Dividends	85,900	68,720
Subsid. divds.	4,250	4,250
Surplus for year	324,128	96,446
Times Bond Interest Earned:*		
Before deprec.	34.80	14.32
After deprec.	29.57	11.19
*After bank interest.		
Earnings per Share and Dividend Record:		
Com.: Earned	$47.73	$19.23
Paid	10.00	8.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$449,304	$183,836
Life ins., c.s.v.	50,618	46,588
Accts. rec.	639,373	494,966
Inventories	966,035	806,720
Total curr. assets	2,105,330	1,532,110
Deposit for s.f.	134,008	41,738
Mtge. rec., less res.	130,807	140,262
Misc. assets	22,722	13,161
Fixed assets*	809,430	855,518
Total assets	3,202,297	2,582,789
Accts., taxes, etc.	751,136	499,702
S.f. deposit	131,285	41,620
Total curr. liab.	882,421	541,322
Funded debt	633,500	682,500
Reserves	5,528	5,528
Minority int.	23,907	21,096
Capital stock	859,000	859,000
Capital surplus	137,656	137,499
Earned surplus	660,285	335,844
*After depr. of	2,019,678	1,884,626
Working capital	1,222,909	990,788

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New Alcan Power Projects To Cost $65-$70 Millions

MONTREAL (Staff) — Bill 60, which empowers the Quebec Government to enter into an agreement with Aluminum Co. of Canada for development of new power projects on the Peribonka River in the Saguenay district, was passed last week in the closing sessions of the Legislature.

Premier Duplessis, when he introduced the bill, estimated the project would involve eventual expenditures of $65 millions — $70 millions and a potential capacity of nearly 600,000 hp. Some details have still to be worked out between the company and the Government, it's understood.

The Premier said the province had reached an agreement with the company which provides for a 200,000-hp development at Chute du Diable and 400,000-hp project at Passe Dangereuse.

Company has been seeking for some time now to make available more power for its Arvida plants, and the proposed power plants will not only supply Alcan but will help development of the whole district, the Premier said.

Up till now, Alcan had been able to get full capacity power out of its Shipshaw plants for a relatively short part of the year and has had to reduce aluminum output on occasion because of water shortages. It's understood that part of the proposed scheme will include greater storage facilities farther up the river system so that a minimum will be wasted in the flood periods each spring.

Under the agreement with the province, the company will pay an annual rental of $15,000 for Chute du Diable and $25,000 for Passe Dangereuse. Yearly charge by the government when the new plants come into operation will be 90 cents per hp for the first 10 years and $1 per hp after that.

Company will be given a 25-year lease with option to renew for an additional 25 years' period. Alcan officials indicate that construction work on the first phase of the development may start within a year (The Financial Post, April 8).

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Position of Chartered Banks of Canada as of February 28, 1950 Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in currencies other than Canadian	Deposits Elsewhere	Bal. due to other banks in Canada	Due to banks in U. K.
	$	$	$	$	$	$	$	$	$	$
Montreal	....	49,049,270	63,537,375	....	572,505,099	1,108,662,906	13,116,411	86,091,761	17,907,283	11,188,950
Nova Scotia	56,417	7,462,732	4,233,308	....	188,317,758	411,907,271	4,633,422	85,582,515	9,551,722	1,948,083
Toronto	....	7,494,399	5,583,081	....	128,780,824	275,678,327	507,672	....	3,199,634	3,663,720
Provincial	....	1,097,655	640,082	....	31,611,728	117,803,797	30,353	....	1,792,005	....
Commerce	31,503	23,034,197	38,824,955	....	457,802,556	835,035,686	7,545,429	95,692,203	10,200,679	5,387,856
Royal	331,869	27,608,759	46,642,692	....	647,441,565	989,670,018	37,368,082	372,941,419	8,408,571	5,932,501
Dominion	....	12,199,536	5,303,377	....	123,030,849	225,099,438	5,517,901	10,853,828	4,816,288	2,689,332
Nationale	....	4,907,700	2,518,319	....	95,357,342	289,801,590	588,605	606,144	1,733,024	72,500
Imperial	....	9,666,804	37,933,552	....	138,954,198	275,069,476	2,008,466	....	5,567,838	2,882,806
Barclays	....	1,701,092	26,407	....	7,336,165	8,029,710	5,003,245	....	427,006	3,363,917
Total	419,789	144,132,144	205,273,148	....	2,391,138,084	4,536,758,209	76,319,586	651,767,870	63,604,050	37,129,615

NAME OF BANK	Due to Banks Elsewhere	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities	Capital Authorised (Supplementary Information)	Capital Subscribed	Last Dividend	†Loans to Directors and firms of which they are partners	Greatest Amount of Notes in circ.	Bills rediscounted with Bank of Canada
	$	$	$	$	$	$	$	$	$	%	$	$	$
Montreal	22,217,021	31,283,083	1,133,954	922,509	48,000,000	36,000,000	2,061,615,627	50,000,000	36,000,000	10	617,862	....	....
Nova Scotia	4,169,622	17,659,194	464,987	21,664	24,000,000	12,000,000	772,008,651	15,000,000	12,000,000	14	3,006,968	56,864	....
Toronto	1,625,555	3,210,809	23,323	210,898	14,000,000	6,000,000	449,888,246	10,000,000	6,000,000	14	491,390	....	....
Provincial	73,625	332,596	79,387	70,166	2,000,000	4,000,000	159,531,396	5,000,000	4,000,000	6	548,496	....	....
Commerce	17,375,222	46,720,787	459,549	53,077	30,000,000	30,000,000	1,598,163,705	50,000,000	30,000,000	8	1,447,558	43,706	....
Royal	30,847,570	46,478,731	3,379,582	935,484	44,000,000	35,000,000	2,297,386,849	50,000,000	35,000,000	10	2,076,444	527,580	....
Dominion	2,807,542	7,696,363	179,078	6,626	10,000,000	7,000,000	417,200,163	10,000,000	7,000,000	10	266,993	....	....
Nationale	738,403	734,080	58,440	154,661	7,000,000	7,000,000	411,298,803	10,000,000	7,000,000	8	833,068	....	....
Imperial	3,305,246	8,614,564	244,880	9,229	10,000,000	7,000,000	501,257,065	10,000,000	7,000,000	12	602,838	....	....
Barclays	1,900,763	535,149	11,358	....	1,500,000	1,500,000	31,334,816	1,500,000	1,500,000	....	....	....	....
Total	85,058,569	163,665,356	6,034,538	2,384,314	190,500,000	145,500,000	8,699,685,321	211,500,000	145,500,000	....	9,893,507	628,150	....

†And loans for which they are guarantors

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes and Cheques on other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U. K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	2,924,525	15,275	39,345,783	146,067,634	81,579,311	1,382,218	5,147	8,169,147	48,187,692	239,876,669	551,307,939	34,801,113	93,743,446	47,874,697
Nova Scotia	1,487,487	599,065	19,770,120	42,017,946	31,065,221	20,921,839	....	907,731	12,637,121	59,819,010	177,473,614	5,667,042	13,555,847	8,890,607
Toronto	658,297	....	9,107,575	31,752,163	17,640,259	483,360	....	75,662	4,202,973	40,538,124	145,414,024	5,505,452	13,207,776	8,485,531
Provincial	509,492	....	4,536,972	11,933,404	6,236,940	166,908	....	12,378	1,277,644	19,139,276	23,093,106	6,298,027	16,437,928	6,918,970
Commerce†	2,182,790	78,325	28,133,914	104,667,836	52,643,889	2,355,538	48,181	1,555,056	31,671,990	121,128,231	483,446,006	23,850,952	41,736,512	23,406,874
Royal‡	3,284,964	1,736,365	44,463,124	128,570,119	88,275,985	*76,307,848	10,614	9,249,727	62,990,098	265,724,393	544,098,420	27,879,949	74,414,959	38,215,213
Dominion	680,687	188	7,408,863	30,238,161	15,722,695	404,676	414	1,687,384	8,771,603	65,240,744	85,026,525	1,035,418	5,499,006	5,705,464
Nationale§	1,210,203	47	13,775,094	25,343,369	11,120,781	380,246	....	30,307	2,463,669	57,382,928	71,764,243	6,250,101	38,305,099	17,070,439
Imperial	1,223,743	....	12,809,211	31,190,906	21,163,342	728,743	728,595	414,121	5,124,617	55,623,158	143,313,852	1,881,313	7,256,684	8,588,491
Barclays	14,640	....	168,002	3,055,966	615,598	17,884	129,778	508,124	1,660,782	876,697	5,688,438	1,269,435	5,462,048	1,021,687
Total	14,176,828	2,429,295	179,518,658	554,837,504	326,064,021	103,649,260	922,729	17,604,637	178,988,189	934,349,228	2,230,626,167	114,438,802	309,619,305	164,177,943

NAME OF BANK	Public Securities other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	■Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	▲Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	60,995,591	130,432,991	12,626,802	19,659,310	451,791,911	22,780,978	4,712,420	16,092,512	308,938	270,856	18,225,485	....	3,340,092	2,092,771,439
Nova Scotia	7,508,338	23,956,450	12,808,915	7,078,395	230,111,827	44,890,642	2,504,277	16,373,530	63,808	3,933	8,996,717	....	8,077,063	774,845,676
Toronto	....	14,584,375	5,597,236	....	129,008,853	....	....	7,085,135	22,848	8,528	5,665,777	....	63,831	451,318,597
Provincial	....	7,864,237	2,802,619	....	47,491,713	....	41,819	2,366,941	23,668	90,370	2,300,222	....	158,178	160,033,417
Commerce†	43,999,769	66,441,282	16,655,153	9,665,435	403,506,345	41,609,723	18,011,488	16,345,132	437,262	232,579	17,428,710	....	3,909,942	1,601,868,715
Royal‡	129,840,004	108,898,316	21,255,549	32,373,569	461,295,739	102,299,742	1,676,569	12,634,044	267,105	256,751	13,787,900	....	6,061,341	2,301,247,143
Dominion	3,709,900	7,275,916	4,091,909	5,787,704	148,793,277	2,702,299	2,135	4,506,786	25,153	41,118	6,195,917	....	305,554	418,555,868
Nationale§	823,136	16,253,136	1,628,615	....	120,011,903	273,811	829	9,756,533	26,482	208,574	6,879,366	....	151,093	411,844,503
Imperial	1,921,162	9,315,794	5,393,795	....	173,915,720	174,801	19,278	4,755,853	22,136	....	6,801,583	....	66,625	503,048,099
Barclays	3,550,020	250,000	730,045	....	4,290,323	....	....	285,000	886	....	1,339,779	....	22,788	31,488,049
Total	252,347,920	385,272,497	83,590,638	74,564,413	2,182,216,611	214,701,996	26,968,815	90,201,466	1,198,280	1,112,607	87,621,915	....	22,156,417	8,717,021,615

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of The Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to The Canadian Bank of Commerce return.

■Includes mortgages.

▲Includes $163,665,356 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

§Banque Canadienne Nationale (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of the Banque Canadienne Nationale (France) are included in the above general statement.—Footnote to Banque Canadienne Nationale return.

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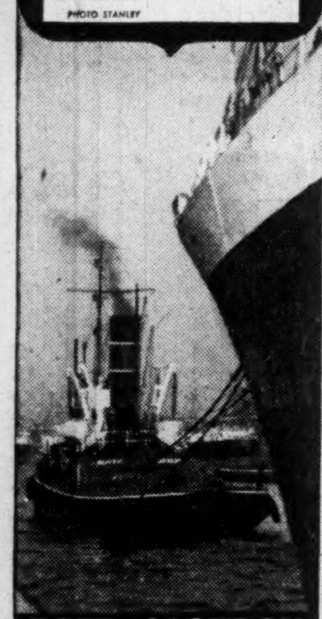

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LONDON CALLING—*By Adelphi*

What May Be Last Budget for Cripps Likely to Disappoint Britain Again

LONDON — When Parliament resumes on April 18, Sir Stafford Cripps will open what may prove to be his last Budget. Once more he will have to disappoint the country, for national expenditure continues to rise. He is tired and probably disillusioned. Socialism is so much easier as an emotional appeal than a practical philosophy.

The Easter holiday began with golden summer weather and the country was radiant. We had a gentle winter and an early spring which is good for the poets, the farmers, and the general health and temper of the nation. In fact life is not too bad over here and as usual the British are refusing to worry too much about the sinister shadows on the international horizon.

Besides, there is a feeling that since America is now the greatest power in the world she can do the worrying for a change.

* * *

On the whole the British embarked on their Easter holiday in fairly good spirits. Cripps announced that for the first time since 1945 the dollar gap has been bridged. It is true that this is partially due to foreigners holding up payments and purchases to take advantage of the devaluation of the pound, but credit must also go to the great effort of industry to increase exports. Despite the fiery speeches of the election platforms relations between employers and workers are better than they have been for a long time.

In fact when Parliament debated the development of joint consultative committees in industry there was such good feeling between the two sides of the House that it was more like a council of state than a Parliament.

* * *

Stalemate in Parliament Not Without Blessings

The truth is that the Socialists are relieved at not having to do any further nationalization until after the next election. With good citizenship and considerable shrewdness they accepted the verdict of the electorate as meaning that there should be a halt in the nationalization march.

The Conservatives, not having a majority, are unable to bring in any of their measures for liberating the nation from the chains of Socialism, so Parliament is forced to get on with the job of letting the country do the best it can without undue legislative interference.

Probably the country would be content if this condition continued for the next five years but on the other hand Parliament would relapse into complete sluggishness and play into the hands of the extremists.

* * *

What Will Be Issues Of the Next Election?

My own impression is that the next election probably in October, will be fought on different issues from the one last February. The battle then was on Socialism. Next time it is likely to be on overseas affairs.

Ernie Bevin's unilateral recognition of the Chinese Communist Government has not been followed by Canada, Australia, New Zealand or the U.S.A. It seems that at the foreign ministers' conference at Colombo the Dominion representatives were virtually presented with a fait accompli by Mr. Bevin. It is significant that the British Government has never found time for a debate on the conference.

Malaya, too, is a black spot. If strong measures had been taken at once the bandits could have been routed and order established. Instead of that it has been a case all the time of "too little and too late."

* * *

The West Indies as well are in a state of ferment because they are not allowed by London to increase their sugar exports. Then there is the Seretse Khama affair which has exacerbated the color problem by clumsy handling.

Germany too is an additional danger spot to the Socialists. Churchill is facing the issue with his usual forthrightness although it is not always true that rightness and forthrightness are the same thing. Churchill wants Germany to be accepted by the Strasbourg Parliament without conditions and to have an equal place with the other members on the Council of Ministers. Also he wants what he calls "Liberated Germany" (that is the Allied Zones) to take part in West European Defense.

* * *

Shawcross to Succeed Bevin in Foreign Post?

Poor Bevin is the sick man of Europe in more ways than one. He is overweighted by world problems and ill health. There is growing pressure on him to resign but he is understandably reluctant. No man likes to admit that he has come to the end of the road but I am afraid that in his case he has reached it.

His successor will probably be Sir Hartley Shawcross, the debonair Attorney-General. Shawcross made mistakes of impetuosity when he first entered Parliament in 1945 but he has learned in the hard school of experience. Not since Anthony Eden flashed upon the world as the youngest Foreign Secretary in 100 years has there been any figure so photogenic and projectible as the handsome Shawcross.

He has a fine brain and an infinite capacity for reducing details to the essentials, as he demonstrated in the Lynskey Corruption Tribunal and in his prosecution of the war criminals at Nuremberg. Mr. Atlee no longer selects Trade Unionists for his principal posts. The Socialist Party is now thoroughly bourgeois, and those of its members who have not enjoyed the benefits of a University education are out of the running for the big prizes.

* * *

May I give a warning to any tycoons or others who intend visiting us this year? Don't rely on securing accommodation at a London hotel when you arrive. Fix it up now — and don't delay. The bookings are enormous.

We all hope that the crime wave will have abated before you come here. In fairness to our thugs I must state that they never seem to attack visitors, preferring some harmless woman who keeps a shop, or a lonely widow in a suburban home. It is difficult to find the cause for the present outbreak, but it is a black spot indeed, and is causing great concern to the authorities.

GEORGE B. CRAFT

formerly vice-president, has been appointed chairman of the board, A. Kimball Ltd., Toronto.

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BANK OF NEW SOUTH WALES

British & Foreign Department, Sydney, Australia

$16,900,886 Budget Wpg. Record High

From Our Own Correspondent

WINNIPEG — A $1,040,000 raid on the surplus of the city hydro and $830,000 estimated new revenue, are the main items which have enabled Winnipeg's city council to report a balanced budget for 1950.

About $750,000 of the expected new revenues are because of an increase in the realty assessment. This year it is $263,556,000 compared with $248,840,000 in 1949.

The mill rate remains at 41.5 mills, the same as last year.

The city budget for 1950 is a record high, $16,900,886. The first draft budget presented by the civic finance committee a few weeks ago was $17,774,539 which was eventually slashed by nearly $900,000.

Cuts were made in the budgets for recreation, police and fire protection, general government, health and sanitation, and street and bridge construction.

The school board for the year requires $5,495,200, an increase of $477,500 over 1949. Of the 41.5 mills, 20.93 goes to education and 20.57 to the city. In 1931 the division on a 34.5 mill rate was 20.95 to the city and 13.55 to schools.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

DOMINION FABRICS LTD. shows consolidated 1949 net profit of $206,290, up 35.7% from 1948's $152,019. Some relief from labor shortage was felt but cost of labor increased considerably.

Demand for ATW towels, face cloths and bedspreads continues to grow, states President Thomas Camelford, but indications point to keener competition, particularly from low production cost European and Japanese goods.

During the year, $65,000 was spent on machinery and buildings and 1950 program calls for at least $125,000 on capital improvements. All the first preferred stock was called for redemption Feb. 1, 1950.

Inventory reserve was increased by $25,058 to $200,000.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net oper. profit	$442,820	$400,665
Less: Deprec.	58,671	47,646
Prov. for taxes	152,800	151,000
Inventory res.	25,059	50,000
Net profit	206,290	152,019
Less: 1st pf. div.	27,000	27,000
2nd pf. div.	30,000	30,000
Common div.	56,000	56,000
Surplus for year	93,290	39,019
Earnings per Share and Dividend Record:		
1st pref.	$22.92	$16.89
Paid	3.00	3.00
2nd pref.†	8.96	6.25
Paid	1.50	1.50
Common†	2.13	1.36
Paid	0.80	0.80
2nd pf. & com.‡	1.99	§

†Before (‡after) participation.
§No earnings available for participation.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$480,820	$527,585
Ins. & misc. invest.	22,853	24,097
Accounts rec.	173,428	137,533
Inventories	604,312	286,375
Total curr. assets	1,281,413	975,590
Def. chgs.§	12,133	......
Misc. assets	......	9,840
Fixed assets*	1,655,396	430,288
Total assets	2,948,942	1,415,718
Accts. & tax. pay.	153,371	134,079
Dividend pay.	28,250	28,250
Total curr. liab.	181,621	162,329
Depr. res.	1,211,730	......
Other res.	208,668	......
Capital stock	467,500	467,500
Surplus	879,423	785,889
*After depr. of	......	1,155,041
§Incl. in curr. assets in co's report.		
Working capital	1,099,792	813,261

TOWNSHIP OF NORTH YORK new issue of $1,876,375 3½% debentures has been underwritten by a syndicate jointly managed by Bankers Bond Corp., and Harrison & Co. and including J. L. Graham & Co., Anderson & Co., Fairclough & Co., Burns Bros & Denton Ltd., Canadian Bank of Commerce, Cochran Murray & Co., and Midland Securities Ltd. Issues include 1-5-year and 1-10-year maturities for local improvements, 1-15-year issues for a community hall and 1-20-year issues for schools and hydro extensions. Debentures were offered at various prices according to maturities, to yield from 3.00 to 3.50%.

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CONSTRUCTION TRENDS By CLIVE CHATTOE

Streamline Model-T Building Codes? National Parley May Spark New Drive

Outworn and ill-matched local building codes are due for re-examination by the men who daily exercise most power over what Canadians may and may not build, how they may build and with what materials.

Municipal building officials from 75 communities between Arvida and Prince Rupert are to converge on Ottawa April 25-26 for their second national conference under auspices of Robert F. Legget's joint business and government Associate Committee on the National Building Code. (Mr. Legget is also director of National Research Council's Building Research division.)

First such parley, a year ago, deferred study of new materials and methods to concentrate on the big gap of literally hundreds of growing communities with no codes at all. Result: A model code for housebuilding in codeless centres, issued last month in draft form and to be rounded out by discussion at the coming conference.

Also to be developed during the Ottawa talks is a projected speed-up in preparation of a special abridgment of the National Building Code sought by many medium-size cities and towns planning modernization of local codes and a greater degree of uniformity with those used in other progressive centres. And progress will be reported on revision of the master code itself, which since 1941 has stood as model and guide to local code revision across Canada.

It has been "ruled' once again that the conference won't deal in any important way with inclusion in the National Building Code of specific materials or methods of construction. But new materials and methods are bound to creep into the talk. No discussion by building officials of their common problems in code administration can skirt the fact that local codes in many cities and in many respects can't any longer be enforced to the letter. They aren't being so enforced. Increasingly, code requirements purporting to bar any but the most ordinary materials, equipment, structural sizes and methods are being waived by arbitrary decision of local building officials.

That's one "change of the hour" which may get more than expected attention when the codemen pull up their chairs in Ottawa a week from next Tuesday.

* * *

Say Pitts May Win Next Toronto 'Big Tube' Link

Notable absentees from current bidding for the second one-third of Canada's and Toronto's first rapid transit subway system, several big Canadian contracting firms specializing in heavy construction and tricky engineering works are cagey when asked why. Mostly they're "too busy."

But by some in the trade, lack of interest on the part of the absentees is ascribed to their supposed conviction the two-miles-plus contract will go to the firm already on the job—Pitts, Johnson, Drake & Perini, Canada-U.S. partnership of companies formed for the project.

American contracting firms which have taken out plans and specifications to figure the second subway link are (tendering closes May 10 with Toronto Transportation Commission): Morrison-Knudson Co., Boise, Idaho (global builder of railways, dams, highways); Del Balso Construction Corp., New York City; Peter Kiewit Sons Co., Chicago, Frazier-Davis Cons., St. Louis, Mo.

A dark horse?

Some shop talk would have the big Idaho firm tying in on a joint bid with Calgary's Fred Mannix, plus backing from a major Eastern Canada contracting firm whose name wouldn't appear. But that's just conjecture.

The British firm of Higgs & Hill Ltd., London, in association with Sir Lindsay Parkinson, is figuring the project via the Toronto office of its Canadian associate, J. L. E. Price & Co., builder of Toronto's giant new Bank of Nova Scotia office building.

Here's the line-up of possible Canadian bidders apart from Pitts, Johnson, Drake & Perini and C. A. Pitts (of Pitts, Johnson): Atlas Construction; Fort Y[illegible] Construction; John Maguire C[illegible]; Fred Mannix & Co.; Rayner Construction (an Angus Robertson Ltd., and A. W. Robertson Ltd., affiliate); and A. E. Rule, Leaside, Ont.; Jack Campbell Co., Tomlinson Construction, Peacock & McQuigge Ltd.

Nobody will know who's winning until the bids are opened and checked. But Pitts, Johnson has a good chance, the trade thinks. When further work is pending the man on the job holds the best cards on costs and organization. That's traditional in building. Added to that is that Pitts, Johnston and project engineer, Charles Molineaux are ahead of schedule, could afford to bid close to the line on the second part and maybe make up a little on the home stretch, according to this week's talk in the trade.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

IMPERIAL OIL LTD.'s 1949 business was at record levels. Product sales were 56,063,119 barrels, 8% higher than in 1948.

Net operating income from Canadian business was up 18.5% but earnings from manufacturing, marketing and marine sources dropped from 93/100c per gallon to 72/100c per gallon, due principally to a slightly reduced sales realization in 1949 and to an increase in operating cost. Earnings from other income were also down, chiefly because of the loss of dividends from the sales of shares of International Petroleum Co. and Royalite Oil Co. Net profit as a result was only up 4.8%. Dollar sales were up 5.9%.

Report highlights are:

In Alberta exploratory work continued at high level. The company drilled or shared in the drilling of 60 exploration wells.

Because of its substantial addition to the company's oil reserves, Golden Spike (4 miles west of Woodbend discovery) was the most noteworthy find of 1949. The field has the most productive oil zone ever encountered in Canada with porosity in the D-3 zone of the Devonian Age approximating almost 600 ft. in thickness. It is expected that production will also be obtained in the D-2 zone in some parts of the field.

Simmons discovery, made in October, appears to establish a large extension of the Redwater field and will add substantially to the company's oil reserve.

Normandville well has not yet been evaluated but, while it does not appear to indicate a large reserve, is of considerable importance because it has opened up a large new area for exploration 250 miles northwest of Edmonton.

Total development footage drilled by Imperial and partners in Alberta was 1,090,843 feet of which Imperial drilled 959,607 feet. Footage drilled by Imperial and partners in search of new oil fields totaled 311,840 ft.

At Dec. 31, Imperial had completed 247 oil wells at Leduc, 101 at Redwater, two at Golden Spike, two at Whitemud and one each at Bon Accord, Simmons, Normandville and Excelsior. In Turner Valley and Norman Wells, N.W.T. it had interest in 25 wells and 63 wells respectively.

Good progress made in the construction of a compressor station and gasoline recovery plant in the Leduc field which will cost about $6 millions. Completion is expected early this summer. The plant, which will initially handle 15 million cu. ft. of gas per day and has an ultimate capacity of 24 million cu. ft. per day, is primarily for gas conservation and will recover propane and butane in addition to natural gasoline.

In December, Imperial sold its oil and gas interests in the Viking Sand horizon of the Viking-Kinsella gas field. This sale plus that of other miscellaneous fixed assets realized $5,085,403.

In southwestern Ontario 10 exploratory wells were drilled and total exploratory footage amounted to 23,951 ft. An important contribution to the area's gas reserves was made by the discovery of the Payne gas field. At Dec. 31, Imperial had 38 oil and gas wells at Becher, 13 gas wells at Kimball and one oil and seven gas wells in other smaller fields in Ontario.

Net production after royalty, including company's share of production operated by others, averaged 22,235 barrels of crude daily in 1949 (10,317 barrels in 1948).

Crude oil runs at company's refineries showed a gross throughout of 54,219,000 barrels, equivalent to 148,545 barrels daily, an increase of about 9%.

Capacity of the Edmonton refinery was increased to its present level of 16,000 barrels per day. Final cost was about $12 millions. Capacity of Regina refinery is now 16,000 barrels a day following further modernization work.

Additional facilities brought into operation in the wax plant at Sarnia refinery are expected to produce an additional 10 million pounds of wax annually.

The fleet of Imperial Oil Shipping Co. was augumented in May, 1949 by the delivery of "Imperial Alberta" a 26,000 deadweight ton tanker with a carrying capacity of about 226,000 barrels. The fleet at the year end consisted of nine ships totaling 133,163 deadweight tons. The Marine Department's lake vessels transported about 94% of Imperial's lake tonnage requirements in 1949.

Negotiations were completed with Pipe Line Tankers Ltd. for the bareboat chartering of two 620-foot lake tankers, being built to Imperial Oil's specifications.

Imperial Pipe Line Co. increased its gathering lines in the Leduc-Woodbend fields, including Golden Spike from 38 to 63 miles and installed a new system totaling 42 miles of line at Redwater. Investment in the subsidiary was increased $2,175,000.

During the year Imperial entered into the necessary throughput agreements to enable financing of Interprovincial Pipe Line Co. in which it invested $6 millions (a minority interest).

Tank car shipments of crude oil, confined to western Canada, increased about 41% and it is expected that the 1950 tank car requirements will be still greater because of increased refinery running and product sales.

Company's shares of Royalite Oil Co. were sold for $14,783,526 and its holdings in Foothills Oil & Gas Co. and Lowery Petroleums and other miscellaneous investments for a total of $5,070,919.

Investment in plant and equipment totaled $34,233,587, exclusive of gathering and pipe line facilities and included $23,062,609 for crude production, $5,610,018 for manufacturing facilities and $5,551,196 for marketing facilities.

Miscellaneous investments, including investment in Devonian Natural Gas Co., totaled $2,875,852.

INCOME ACCOUNT

Yrs. Ended Dec. 31:	1949 $	1948 $
Gross sales	364,739,023	344,373,320
Inc. fr. Can. bus.	39,595,403	34,944,682
Less:		
Depr. & depl.	13,604,481	7,745,582
Inc. tax res.	5,998,392	7,025,937
Invent. res.	......	3,300,000
Net inc. from Can. bus.	19,992,530	16,873,163
Other inc.:		
Divds. fr. subs., int., etc.	4,535,791	6,939,830
Less:		
Can. inc. tax	▲112,758	345,297
Debent. int.	708,093	635,625
Other net inc.	3,940,456	5,958,908
Net profit	23,932,986	22,832,071
Less: Dividends	13,566,921	13,545,295
Surplus for year	10,366,065	9,286,776

▲Credit.

Earnings per Share and Dividend Record:

Com.: Earned	$0.88	$0.84
Paid	0.50	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$20,437,764	$11,633,400
Invests., mkt. val.	20,349,583	928,160
Accts. rec.	52,985,260	46,495,639
Inventories	84,446,595	88,452,532
Total curr. assets	178,219,202	147,509,731
Deferred chgs.	24,913,483	35,276,515
Misc. invest.	7,659,301	2,464,592
Invest. in subsid.	22,759,538	26,873,044
Fixed assets*	115,473,404	96,938,379
Total assets	349,024,928	309,062,261
Accts. pay.	27,107,665	33,696,687
Res. for taxes	3,495,233	3,237,143
Total curr. liab.	30,602,898	36,933,830
Funded debt	50,000,000	30,000,000
Oper. reserve	30,377,085	27,855,815
Capital stock	80,679,447	80,443,126
Capital surplus	64,435,290	64,436,119
Earned surplus	92,930,208	69,393,371
*After depr. of	112,397,441	100,720,442
Working capital	147,616,304	110,575,901

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

PACIFIC COAST TERMINALS CO., New Westminster, B.C. shows a 1949 net profit of $115,672, against $69,680 in 1948. Total dock tonnage handled was off 2.8% at 593,923 tons, while cold storage was down 16% to 4,129,524 lb. Operating expenses increased to 77% of net income, compared with 75% in 1948.

Reserves for deferred maintenance and for replacements were each maintained at $100,000. Major item of the former is for renewal of the revetment wall. The replacement reserve is thought to be sufficient for such major replacements as can be accomplished in the near future. The company owns 270 ft. of river frontage for future dock expansion when conditions are favorable. Also necessary, states President W. B. Lanigan, is a new roof for the cold storage and more freezing equipment.

To cope with diversion of cargos from New Westminster to other ports, directors are considering establishing supplementary facilities to handle this tonnage at some other port free from the hazards of the Fraser River. A site has lately become available which will receive attention.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Total income	$1,002,327	$1,048,811
Net earnings	320,306	373,772
Less: Deprec.	96,127	95,217
Interest	109	138
Replace. res.	......	10,000
Def. maint.	21,763	100,000
Income tax	86,635	99,000
Asset sale loss	......	612
Add: Invest. sale	......	875
Net profit	115,672	69,680
Less: Divds.	30,000	30,000
Surplus for year	85,672	39,680

Earnings per Share and Dividend Record:

Common	$1.93	$1.16
Paid	0.50	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$332,418	$183,368
Accts. rec., less res.	161,711	120,825
Inventory (ice)	499	634
Total curr. assets	494,628	304,827
Prepd. exp.§	14,447	19,939
Misc. assets▲	22,260	38,407
Fixed assets*	1,233,221	1,318,662
Total assets	1,764,556	1,681,835
Accts. pay.	19,203	22,946
Taxes pay.	72,637	59,321
Total curr. liabs.	91,840	82,267
Def. maint. res.	100,000	117,000
Replace. res.	100,000	100,000
Capital stock	1,313,261	1,313,261
Earned surplus	159,455	69,307
*After depr. of	1,193,977	1,097,850
▲Incl. ref. EPT	20,664	37,042
Working capital	402,788	222,560

§Included in curr. assets in co's report.

THE NATIONAL CITY BANK OF NEW YORK

Head Office: 55 Wall Street, New York

Condensed Statement of Condition as of March 31, 1950

ASSETS

Cash, Gold and Due from Banks		$1,182,660,092
United States Government Obligations		1,769,175,004
Obligations of Other Federal Agencies		33,208,689
State and Municipal Securities		394,355,607
Other Securities		90,084,205
Loans and Discounts		1,375,617,474
Real Estate Loans and Securities		511,471
Customers' Liability for Acceptances		19,676,260
Stock in Federal Reserve Bank		7,500,000
Ownership of International Banking Corporation		7,000,000
Bank Premises		27,037,192
Other Assets		3,105,508
Total		$4,909,931,502

LIABILITIES

Deposits		$4,519,348,370
Liability on Acceptances and Bills	$30,227,019	
Less: Own Acceptances in Portfolio	9,523,482	20,703,537
Due to Foreign Central Banks (*In Foreign Currencies*)		7,529,400
Items in Transit with Branches		22,435,999
Reserves for:		
Unearned Discount and Other Unearned Income		8,507,073
Interest, Taxes, Other Accrued Expenses, etc.		26,344,128
Dividend		2,635,000
Capital (*6,200,000 Shares @ $20 Par*)	$124,000,000	
Surplus	126,000,000	
Undivided Profits	52,427,995	302,427,995
Total		$4,909,931,502

Figures of Overseas Branches are as of March 25, 1950.

$323,405,362 of United States Government Obligations and $7,936,300 of other assets are deposited to secure $237,155,567 of Public and Trust Deposits and for other purposes required or permitted by law.

(Member Federal Deposit Insurance Corporation)

The foregoing statement does not include the figures of:

CITY BANK FARMERS TRUST COMPANY

Head Office: 22 William Street, New York

Affiliate of The National City Bank of New York for separate administration of trust functions

DIRECTORS

WM. GAGE BRADY, JR. Chairman of the Board

W. RANDOLPH BURGESS Chairman of the Executive Committee

HOWARD C. SHEPERD President

SOSTHENES BEHN Chairman, International Telephone and Telegraph Corporation

CURTIS E. CALDER Chairman of the Board, Electric Bond and Share Company

GUY CARY Shearman & Sterling & Wright

EDWARD A. DEEDS Chairman of the Board, The National Cash Register Company

CLEVELAND E. DODGE Vice-President, Phelps Dodge Corporation

L. M. GIANNINI President, Bank of America National Trust and Savings Association

JOSEPH P. GRACE, JR. President, W. R. Grace & Co.

WILLIAM H. HOOVER President, Anaconda Copper Mining Company

AMORY HOUGHTON Chairman of the Board, Corning Glass Works

ROGER MILLIKEN President, Deering, Milliken & Co. Incorporated

FREDERICK B. RENTSCHLER Chairman, United Aircraft Corporation

GERARD SWOPE Honorary President, General Electric Company

REGINALD B. TAYLOR Williamsville, New York

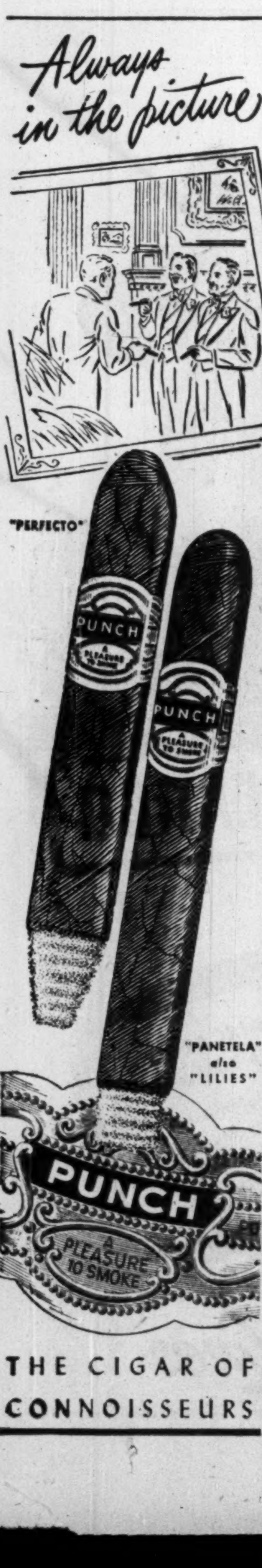
ROBERT WINTHROP Robert Winthrop & Co.

OVERSEAS BRANCHES

ARGENTINA: Buenos Aires (*502 Bartolomé Mitre*), Flores, Plaza Once, Rosario
BRAZIL: Rio de Janeiro, Porto Alegre, Recife (Pernambuco), Santos, Sao Paulo
CANAL ZONE: Balboa, Cristobal
CHILE: Santiago, Valparaiso
CHINA: Shanghai
COLOMBIA: Bogota, Barranquilla, Medellin
CUBA: Havana (*402 Presidente Zayas*), Cuatro Caminos, Galiano, La Lonja, Caibarien, Cardenas, Manzanillo, Matanzas, Santiago
ENGLAND: London (*117, Old Broad St.*), West End (*11, Waterloo Pl.*)
FRANCE: Paris (International Banking Corporation)
HONG KONG: Hong Kong
INDIA: Bombay, Calcutta
JAPAN: Tokyo, Osaka, Yokohama
MEXICO: Mexico City (*54 Avenida Isabel la Católica*), Republica
PERU: Lima
PHILIPPINES: Manila (*Juan Luna*), Port Area, Cebu, Clark Field
PUERTO RICO: San Juan, Arecibo, Bayamon, Caguas, Mayaguez, Ponce
REPUBLIC OF PANAMA: Panama
SINGAPORE: Singapore
URUGUAY: Montevideo
VENEZUELA: Caracas

GENERAL FOODS CORP. reports consolidated net profit of $27,445,941 for 1949, up from 1948's $24,555,752. Sales at $474,637,193 were 2½% higher.

Canadian operations continued to expand in spite of shipments being barred to South Africa and Great Britain due to dollar shortages. During the year, Minute Rice and Swans Down Instant Cake Mix were added to the Canadian grocery products. Practically all products sold in Canada were manufactured in Canadian plants. Additions were made to the plants



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The CARTER Self-Conforming Leather

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THE WORLD'S MOST COMFORTABLE HAT

THE INSIDE STORY

The Carter Leather BUTTONS in — removable — sanitary. Five-point suspension is the secret of its gentle conforming fit. It guards against perspiration stains — provides better ventilation. Conforming to shape of your head, Carter Leather is the most comfortable hat feature ever devised.

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• THE MASTER HAT OF CANADA

Don't Raise Rail Wages Let 'Em Strike, He Says

OTTAWA (Staff) — A Western farm spokesman recently told the Royal Commission on Transportation that national railway strikes were more tolerable than continued giving way to demands of rail unions for higher pay.

J. H. Wesson, president of the Saskatchewan Wheat Pool, told Chairman Turgeon: "if it comes to a question where labor wants too much—more than the economy could stand—I think I would let them strike for a while and see what happened."

Mr. Wesson had told the commission that in face of world competition, farmers were being forced to cut down their costs of production. He said it was equally important that railways, on their part should ensure "that none of their costs are out of line with those in the general economy."

"Wages and salaries," said Mr. Wesson, "make up the largest factor in the railway cost structure, amounting in 1948 to 58.4% of total operating costs. The railways are being met with recurring demands for wage and salary increases and shorter hours which to date they have not seen fit to resist. The result has been a divergence between the railway wage level and the general income level on the prairies which has become increasingly burdensome to the western farmer through increases in freight rates on consumer goods."

Asked point blank what he would do if wage demands brought the rails to the verge of a strike, Mr. Wesson was emphatic in saying "let them strike"—even if it meant tying up the railways for a short time.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

FRANK W. HORNER LTD. earned a net profit of $178,572 in 1949, more than double the 1948 figure of $82,164. Total sales increased despite a drop in export shipments. President H. R. Horner states outlook for domestic sales in 1950 appears favorable.

The specialized building built in 1947 at St. Laurent to manufacture amino acids was sold and the 3% serial bonds issued for this purpose were redeemed in full. Company still holds four and a half acres of land at St. Laurent.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$324,508	$161,703
Less: Deprec.	27,612	24,126
Bond int.	1,421	5,700
Inc. taxes	116,903	49,713
Net profit	178,572	82,164
Less: Divds.	50,440	33,775
Surplus for year	128,132	48,389
Earnings per Share and Dividend Record:		
Class A†	$3.16	$1.46
Class A‡	1.58	0.73
Paid	0.50	0.50
Class B†	2.71	0.97
Class B‡	1.61	0.74
Paid	0.40	0.10

†Before (‡after) participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$88,021	$96,224
Accts. rec.	268,922	330,157
Inventories	106,419	146,705
Total curr. assets	463,362	573,086
Bldg. fund	200,000	......
Prep. & def. chgs.▲	33,462	29,837
Fixed assets*	195,768	378,640
Total assets	892,592	981,563
Total curr. liabs.	148,051	183,450
Bldg. fund	200,000	......
Funded debt	......	160,000
Capital stock	282,200	282,200
Earned surplus	†261,341	355,913
*After depr. of	162,369	146,801
▲Incl. ref. EPT	3,451	16,660

†After transfer of $200,000 to bldg. replace. reserve.

Working capital	315,311	389,636

COLLINGWOOD TERMINALS LTD. 1949 net profit of $69,555 was up sharply from the 1948 figure of $20,995. Increased storage of Canadian grain and 883,000 bushels of U. S. government grain for storage made a substantial gain in storage revenues. During the year, 7,149,836 bushels were received, an increase of about 1,074,000. Shipments totaled 5,591,469. Export shipments were 450,000 bushels higher while domestic shipments, due to improved harvest in eastern Canada and the resulting drop in demand for western grain, were off 2,220,000 bushels.

President L. H. Boyd states that the company's share of the cost of the docks, rebuilt by The Department of Public Works in the year, was about $35,000.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net oper. profit	$143,389	$70,640
Less: Int. chgs., net	5,587	6,312
Depreciation	25,697	31,033
Income tax res.	42,550	12,300
Net profit	69,555	20,995
Less: Dividends	19,172	9,586
Surplus for year	50,383	11,409
Earnings per Share and Dividend Record:		
Pref. & common	$1.81	$0.55
Paid	0.25+0.25	0.25

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$29,107	$38,782
Accts. rec.	94,599	6,966
Investments†	60,000	60,000
Inventory	7,268	8,900
Total curr. assets	190,974	114,648
Prep. exp.§	1,990	1,302
Misc. assets▲	8,443	22,327
Fixed assets*	434,033	402,356
Total assets	635,440	540,633
Accts., tax., etc., pay.	87,333	18,309
Bonds due	25,000	25,000
Total curr. liab.	112,333	43,309
Mortgage bonds	150,000	175,000
Capital stock	291,900	291,900
Surplus▲	81,207	30,424
*After depr. of	645,022	619,325
†Approx. mkt. value	61,275	60,950
▲Incl. ref. EPT	8,443	22,327

§Incl. in curr. assets in co's report.

Working capital	78,641	71,339

HENDERSHOT PAPER PRODUCTS LTD., Hamilton, 1949 net profit was $19,698, compared with $22,108 in 1948. Sales increased 30%.

President T. R. Harrison reports that late in 1949 new equipment costing $40,507 was installed and weekly production hours of the plant almost doubled. Late in January, 1950, a third production shift was added and with the present rate of production, improved sales volume is expected in 1950.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$66,263	$57,702
Less: Deprec.	38,166	21,590
Prov. for taxes	8,399	14,004
Net profit	19,698	22,108
Less: Pref. divds.	12,500	12,500
Com. divds.	30,000	30,000
Deficit for year	22,802	20,392
Earnings per Share and Dividend Record:		
5% pref.	$7.88	$8.84
Paid	5.00	5.00
Common	0.24	0.32
Paid	1.00	1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$66,012	$22,073
Accts., etc., rec.	141,563	115,605
Life insur., c.s.v.	7,448	3,350
Inventories	123,700	139,325
Total curr. assets	338,723	280,353
Prep. exp., etc.†	6,667	5,302
Fixed assets	262,097	225,016
Patents, etc.	45,000	45,000
Total assets	652,487	555,671
Bank loan	40,000	30,000
Accts., tax pay.	199,007	147,086
Total curr. liabs.	239,007	177,086
Shareholders' adv.	20,000	......
Depreciation res.	86,170	51,430
Capital stock	280,000	280,000
Earned surplus	27,310	47,155

†Included in current assets in co's report.

Working capital	99,716	103,267

ALUMINUM CO. OF CANADA reports consolidated net profit of $24,485,448 for 1949, up slightly from $24,255,586 in 1948.

Working capital increased from $61,263,625 to $68,166,823.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
	$	$
Oper. profit	52,092,811	47,866,849
Add: Other inc.	677,912	729,149
Net earnings	52,770,723	48,595,998
Less: Int. on debt	3,271,646	3,237,786
Depr. & depl.	7,824,916	6,736,193
Inc. & EPT tax	17,104,119	14,441,337
Bond prem., etc.	25,771	22,358
Adj. curr. reval.	304,484	......
Add: Asset prof.	245,661	97,262
Net profit	24,485,448	24,255,586
Less: Pref. div.	557,717	569,755
Com. divds.	18,000,000	18,000,000
Surplus for year	5,927,731	5,685,831
Earnings per Share and Dividend Record:		
Preferred	$44.08	$42.89
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & gov. bds.	$35,885,263	$28,196,295
Accts. rec.	20,935,995	14,478,799
Inventories	39,826,927	41,692,573
Total curr. assets	96,648,185	84,367,667
Inv. in affil. co.	16,750	......
Misc. assets	5,062,939	4,708,133
Fixed assets	350,549,779	345,096,255
Total assets	452,277,653	434,172,055
Notes pay.	5,500,000	......
Accts., etc., pay.	12,197,408	13,918,452
Taxes pay.	10,783,954	9,185,590
Total curr. liab.	28,481,362	23,104,042
Funded debt	104,651,674	106,898,321
Amort., depr. & depl. res.	234,477,856	228,555,282
Other res.	769,547	787,802
Def. profit	3,441,257	......
Capital stock	28,888,350	29,137,600
Capital surplus	1,111,650	862,400
Earned surplus	50,455,957	44,826,608
Working capital	68,166,823	61,263,625

GRAFTON & CO., Dundas, Ont., 1949 net profit of $137,258 was 34.5% lower than the 1948 net of $209,590. Record high sales volume was offset by lower markup and an increase in expenses.

President Stewart Philp states that while some stores had difficulty maintaining sales due to economic conditions peculiar to their locality, others reached a new high. The Kitchener store was in operation for the full year.

INCOME ACCOUNT

Years Ended Jan. 31:	1950	1949
Net earnings†	$225,806	$331,846
Less: Income tax	88,548	122,256
Net profit	137,258	209,590
Less: Cl. A divds.	36,120	36,120
Cl. B divds.	9,030	......
Surplus for year	92,108	173,470

†After unstated depreciation.

Earnings per Share and Dividend Record:		
Class A	$3.80	$5.80
Paid	1.00	1.00
Class B	2.80	4.80
Paid	0.25	....

CONDENSED BALANCE SHEET

As at Jan. 31:	1950	1949
Cash	$165,244	$91,876
Accts., etc., rec.	64,135	63,583
Inventory	951,604	913,367
Total curr. assets	1,180,983	1,068,826
Misc. assets▲	144,573	161,029
Fixed assets*	138,693	143,828
Total assets	1,464,249	1,373,683
Total curr. liab.	63,275	64,817
Capital stock	451,500	451,500
Surplus	949,474	857,366
*After depr. of	136,439	102,267
▲Incl. ref. EPT	[illegible]	107,000
Working capital	1,117,708	1,004,009

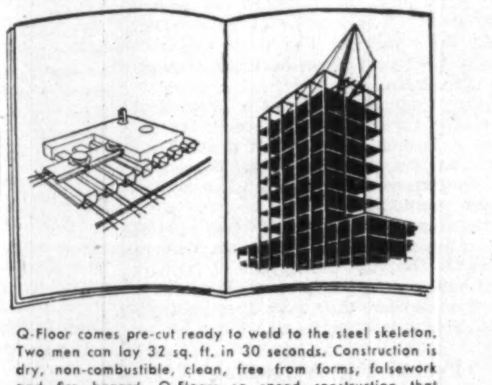
ABITIBI POWER & PAPER CO. An additional 1,815 shares of $1.50 preferred $20 par value stock has been purchased and cancelled, leaving 1,268,196 preferred shares outstanding.

"WELL, FOR MY MONEY," THE REALTOR SAID:

"I'm for any materials that cut cost of tenant alterations"

here's the book

Q-Floor is a steel subfloor. The cells are crossed over by raceways carrying the wires for every electrical service, today's and the future's. The steel subfloor is topped by a concrete fill and surfaced with any material you desire.



Q-Floor comes pre-cut ready to weld to the steel skeleton. Two men can lay 32 sq. ft. in 30 seconds. Construction is dry, non-combustible, clean, free from forms, falsework and fire hazard, Q-Floors so speed construction that building time is often shortened by 20 to 30 per cent. As for steel delivery dates — you always have to allow for demolition and by that time, the steel is ready.

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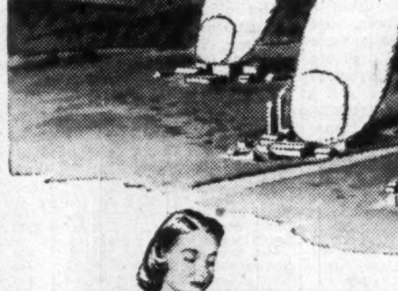

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PROVINCIAL ROUNDUP
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THE FINANCIAL POST—$4 A YEAR

Your Personal Income Tax

Tax Points Farmers Should Watch

Averaging Income and Basic Herd Method Can Be of Help

By D. G. MACLEAN

Is farming your "principal occupation?" Or is it only a hobby? In either case, close study of the income tax regulations affecting farmers may save you money, make your form-filling easier. In another of its series on Personal Income Tax, The Financial Post here discusses some of the problems affecting farmers, and the answers.

If you are a farmer, don't forget that you must make an income tax return by April 30 if you:—

—had a taxable income in 1949
—plan to average your income over a term of years
—have had a "basic herd" established
—are asked by the Income Tax Department to make a return.

Like other taxpayers, you can report your income either on a cash or an accrual basis. If you use the latter, you must take an inventory of farm products on hand at the beginning of the year and then take an inventory at the end of the year and include any increase as the income for the 12 months.

You should report all income from crops and seeds, livestock and livestock products, from products such as honey, wax, maple products, fruits and vegetables.

You are entitled to deduct expenses for seeds and plants purchased, feeds and straw purchased, bags, boxes, twine, livestock, gas, oil and grease, and other materials used in operating your farm, repairs, rents paid, taxes and licenses (of course excluding income taxes), insurance (other than life insurance), and wages paid and expense of maintenance of hired help, interest paid on borrowed money, and depreciation according to the rates set. You can also deduct other expenses such as for telephone, electricity, etc.

But once you use either the cash or the accrual basis, you don't change back to the other without authority from the Income Tax Department.

The department has issued a farmers' and fishermen's guide for the preparation of the 1949 income tax return and if you study this along with your T1 General Form, you shouldn't have much trouble in making out your returns.

Farmers pay their income tax by installments, but they don't need to pay on the dates set for other installment taxpayers. A farmer should pay two thirds of his income tax for the current year on or before Dec. 31, and the remaining one third by April 30 in the next year when he makes his income tax return.

On the whole, there is not a great deal of difference in making out income tax return of a farmer from that of another individual, once a person understands what is to be considered income and what deductions are permissible.

There are, however, one or two special provisions which deserve attention. One of them is that because the income of farmers (and fishermen also) may vary considerably from year to year, they may average their income over a term of years.

Period For Averaging

Thus, if your chief source of income in each of the years 1946, 1947, 1948 and 1949 was from farming or fishing, you may average your income over those four years, or if you want to wait until 1950 you can then average income over five years, 1946 to 1950 inclusive, and all subsequent periods must be for five years. You cannot, however, include one year in two five-year periods.

But you can elect to average your income over the last four years only if you have filed an income tax return for each year. This shows the importance of making regular returns on time.

The Income Tax Department supplies a special form "Election to Average Income." You can get two copies from your district Income Tax Office, complete them, forward one to your Income Tax inspector, and keep the other for your own future reference.

If you have losses in two or more years, both of which can be deducted from the profits of another year, the first year of loss must be absorbed before the other losses can be applied.

Here's how you would average your income:

1. Calculate your income for each of the four (or five) years in the term, including the last year, after deducting charitable gifts, excessive medical expenses, allowances in lieu of medical expenses for persons blind, confined to bed or wheelchair, and farm losses in years preceding or following the taxation year. This does not include losses experienced in the years after the four- or five-year term with which you are dealing has been completed.

You then take the average for the four or five years, which is your average gross income.

From this, deduct your personal exemptions for each year. This gives you your average net income for each year.

You now calculate the tax at the rates in effect for each year.

Total the taxes assessed for each of the years and deduct the taxes paid for the three or four years in the term preceding the last year in the term.

Any balance left is the tax you should pay for the last year in the term.

Any taxes assessed on the actual income over the tax shown to be paid on the taxable average income would entitle you to a refund, while any deficiency would be the tax for the last year in the period.

Include All Regular Produce

Farmers should include in their income the value of all regular farm products raised on the farm, whether they sell them, consume them, or if they are still holding them in stock. Any farm products fed to livestock are included in income. But similar amounts can be deducted as an expense.

If the farm produce is traded for implements, groceries, services, etc., the value is considered taxable income.

However, you don't need to include products grown in kitchen gardens, eggs produced by small flock of hens on a farm other than a poultry farm, fruits from a small family orchard or berry patch, etc.

If you were engaged in producing livestock or livestock products and maintain a permanent herd of cattle, horses, sheep, or swine it would seem to be to your advantage to establish what is known as a basic herd. This basic herd means just what it says: the animals used as capital equipment in operating the farm.

It should show the number of animals to be included as capital equipment in operating the farm. If both registered and grade animals are kept, a separate basic herd must be established for each class, except when number of one class is not over 10% of the total.

A directive issued by the Income Tax Department provides "the number of animals in the basic herd may be increased in subsequent taxation years by the addition of mature animals acquired by gift, inheritance, purchased in any taxation year provided that no part of the cost was charged against the income, purchase which has been charged against income of year 1946 or a prior taxation year but only to the extent that cost of such animals could have been added to income of same year without increasing such income to a taxable amount."

"Natural increase, where the animal became mature in 1946 or a prior taxation year but only to the extent that in the year in which the animal attains maturity, the fair market value of such animal can be added to the income of that year without increasing such income to a taxable amount; and by natural increase represented by mature animals provided that the fair market value of such animals is added to the income of the taxation year in which the animal attained maturity."

The basic herd may be increased this way and it may also be reduced either by sale or any other cause "to a point where the total number of animals (expressed in the term of mature animals) on hand is less than the number of animals determined as the basic herd.

Capital or Income

"In such cases the difference between the number of animals remaining on hand and the basic herd will be deemed to be a capital disposition. The basic herd will be reduced by this number of animals and the proceeds thereof, if any, shall be deemed to be a capital realization not subject to income tax." This is where the establishment of a basic herd is important, as it might mean the difference between a substantial amount of money derived from the sale of animals being regarded as a return of capital or as income for the year.

In the departmental directory, a mature animal is being defined as one which, in the case of cattle, has attained an actual age of two years, three years in the case of horses, and one year for sheep or swine. Two immature animals are considered equivalent to one mature animal.

"The principle of a basic herd presupposes a permanent herd and continuity of operation. In order that the approval of a basic herd may be maintained a taxpayer who is granted such an approval will be required to file income tax returns annually together with such information as may be requested regarding transactions affecting the basic herd."

While you are allowed to deduct cost of hired help including board and lodging furnished, and including wages paid to sons and daughters, you are not allowed to deduct wages paid your wife.

If wages and maintenance paid a son or daughter do not exceed $500 a year, you can also claim such sons or daughters as dependents.

Because a farmhouse is such an important part in operating a farm, you are allowed to deduct depreciation on your house at one quarter of usual rate allowed buildings, also 25% of the cost of repairs, full cost of electricity, taxes, telephone, fire insurance and depreciation. On other farm buildings you are allowed the full amount of such expenses.

It is believed, from 1949 on, if farmers are carrying on actual farm operations with the expectation of making a profit, they may deduct all losses including depreciation from income other than the regular main income. Losses from farms carried on as a "hobby" are not deductible.

The main thing for the farmer to watch is to keep an accurate account of his income and expenditures arising from his farm operations so that he can satisfy the income tax officials on any points which they may bring up later on, especially if he is averaging his income and if he should be selling out in regard to his basic herd, etc. Making a return each year also strengthens the position of any taxpayer in any situation which may arise in future. •

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SOUTHAM CO. reports an all-time high consolidated net profit of $1,276,232, up 8% from $1,181,416 in 1948. All of the company's chief products — newspapers, newspaper advertising, general and specialized printing and radio broadcasting continued in good demand. Operations continued to expand. Gross business increased from $16,880,978 to $18,159,100. Operating expenses, partly due to cost of handling a greater volume of business and partly to increases in unit costs, were again higher. Material prices changed little but wage rates were up.

As a result of the new depreciation regulations, $375,357 was transferred from surplus to depreciation reserve, in addition to the usual depreciation charged. During the year, $774,000 of the company's debentures were redeemed. Expenditures on new production facilities totaled some $870,000, states President P. S. Fisher.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$2,605,832	$2,268,376
Less: Debent. int.	219,325	239,253
Depreciation	339,275	249,707
Taxes	771,000	598,000
Net profit	1,276,232	1,181,416
Less: Dividends	900,000	750,000
Surplus for year	376,232	431,416
Earnings per Share and Dividend Record:		
Common	$1.70▸	$1.58
Paid	1.00+0.20	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$2,124,786	$2,812,617
Accts. rec.	1,874,172	1,575,010
Inventories	871,952	746,034
Total curr. assets	4,870,910	5,133,661
Prep. exp.§	63,723	40,072
Misc. invests., etc.▴	1,246,560	1,684,688
Fixed assets	10,230,257	9,356,396
Circ. & goodwill	2,000,000	2,000,000
Total assets	18,411,450	18,214,817
Accts., etc., pay.	1,425,289	971,001
Accr. liab. & def. rev.	305,900	329,792
Total curr. liabs.	1,731,189	1,300,793
Funded debt	4,000,000	4,774,000
Depreciation res.	6,852,578	6,174,441
Doubtful accts.	74,582	119,014
Pens. & cont. res.	187,434	227,820
Capital stock	3,000,000	3,000,000
Surplus	2,565,667	2,618,749
▴Incl. ref. EPT	417,592	568,150
§Incl. in curr. assets in co's report.		
Working capital	3,139,721	3,832,868

WILSIL LTD. consolidated 1949 net profit of $175,778 was down 29.3% from $248,460 in 1948. Domestic sales showed a "satisfactory" increase, while exports were affected by dollar shortages.

Many hog feeders, due to the high feed prices and uncertainty of an export contract, sold their feed and left hogs alone. This caused a short supply of hogs from January until late fall and cut export volume considerably. Expectations are that this situation will be helped if farmers heed the advice of the Dept. of Agriculture to sow more coarse grains.

The year was the first full one in which live cattle, dressed beef and other beef products have had entry to the U. S. markets. Heavy demand for top quality finished steers and feeder cattle and good demand for lower grade cattle were shown, with all cattle bringing good prices.

Marketing of sheep and lambs has for several year. shown a steady decrease. The U. S. A. have been heavy buyers and good prices have been realized.

President H. Gillham and Chairman F. K. Morrow state that hides and by-products took a sharp adjustment and have now been stabilized at much lower prices than in 1948.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Oper. profit	$415,766	$567,389
Less: Deprec.	117,988	72,336
Inc. tax res.	122,000	246,593
Net profit	175,778	248,460
Less: Divds.	135,700	135,700
Surplus for year	40,078	112,760
Earnings per Share and Dividend Record:		
Common	$1.30	$1.83
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & gov't. bds.	$319,197	$181,566
Accts. rec.	1,495,937	1,525,559
Inventories	1,761,333	1,821,412
Total curr. assets	3,576,467	3,528,537
Misc. assets▴	57,366	63,215
Fixed assets*	835,214	848,613
Total assets	4,469,047	4,440,365
Bank overdraft	617,466	515,084
Accts. & tax. pay.	360,544	487,761
Divds. pay.	33,925	33,925
Total curr. liab.	1,011,935	1,036,770
Invent. res.	600,000	600,000
Capital stock	1,027,000	1,027,000
Surplus	1,830,112	1,776,595
*After depr. of	991,310	897,889
▴Incl. ref. EPT	31,233	32,267
Working capital	2,564,532	2,491,767

MONARCH MORTGAGE & INVESTMENTS LTD. shows a 1949 net profit of $99,054, as against $73,536 in 1948. Gross income was up from $183,527 to $243,310. Operating costs were higher, but a 5% rental increase in June and subsequently a 4% rental adjustment, on apartments within Toronto were permitted. In February, 1950, a 22% increase was allowed for apartments subject to rental regulations.

Property investment was up from $1,109,618 to $1,288,308 as a result of purchasing another apartment building. Two tracts of land, one 100 acres and one 150 acres, were bought and are under development. The subsidiary, Monarch Construction & Realty, had an active construction year and paid a dividend of $75,300 to the parent company. The Tretheway Drive housing development will soon be completed except for stores and a block of apartment buildings containing 48 suites.

President H. R. Jackman states that lower-priced housing need continues.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$95,408	$64,724
Add: Sub. divd.	75,300	52,200
Less: Deprec.	58,654	28,188
Inc. tax res.	13,000	15,200
Net profit	99,054	73,336
Less: Divds.	38,181	19,091
Surplus for year	60,873	54,445
Earnings per Share and Dividend Record:		
Common	$2.59	$1.93
Paid	1.00	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$115,811	$103,393
Accts. rec.	41	44
Total curr. assets	115,852	103,437
Unexp. ins. prems.	3,316	1,722
Inv. in & adv. to sub.	153,613	158,714
Mtges. rec.	25,352	27,043
Properties*	†1,032,781	†239,459
Total assets	1,330,914	530,375
Agreement pay.	......	38,000
Accts., etc., pay.	17,296	12,160
Taxes pay.	8,885	8,858
Total curr. liabs.	26,181	59,018
Mtges. pay.	772,503	......
Capital stock	382,300	382,300
Capital surplus	▪56,914	......
Surplus	93,016	89,057
*After deprec. of	250,976	200,791
†After mtges. pay. of	▴	673,396
▴Incl. in liabs. in 1949.		
▪Arising from purch. & cancel. of pref. shs. in pr. yrs.		
§Incl. in curr. assets in co's report.		
Working capital	89,671	44,419

NATIONAL DRUG & CHEMICAL CO. of CANADA reports consolidated 1949 net profit of $564,181, against $480,852 in 1948. Although sales volume was higher, this increase in net profit also reflects the inclusion of National Drugs Ltd. into the consolidated statement. Acquisition from original owners of Investor Shares of this company, which operates in Manitoba and Saskatchewan, as of Jan 1, 1949, in addition to shares held, gave National Drug management and voting control. In prior years, it was carried under "investments in associated and other companies."

Although operating expenses increased, President C. H. Lander states that their ratio to sales is still satisfactory.

During the year, $110,054 was added to consolidated capital surplus due to acquisition of more shares of National Drugs Ltd. and profit on sale of a small subsidary company.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,112,233	$837,232
Less: Deprec.	82,785	52,715
Taxes	389,796	270,247
Minority int.	75,471	33,418
Net profit	564,181	480,852
Less: Pref. divds.	146,911	146,911
Com. divds.	125,189	125,189
Surplus for year	292,081	208,752
Earnings per Share and Dividend Record:		
Preferred	$2.30	$1.96
Paid	0.60	0.60
Common	1.67	1.33
Paid	0.50	0.50

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$347,662	$343,212
Accts. rec.	2,094,677	1,199,115
Inventories	4,978,650	3,667,978
Total curr. assets	7,420,989	5,210,305
Misc. assets▴	148,118	203,328
Invests.	40,276	556,976
Fixed assets*	1,199,202	919,919
Goodwill, etc.	175,110	196,610
Total assets	8,983,695	7,087,138
Bank loan	702,657	431,303
Accts., tax., etc., pay.	2,196,524	1,305,507
Total curr. liabs.	2,899,181	1,736,810
Min. int.	475,510	147,162
Cont. res.	94,208	101,928
Capital stock	2,476,175	2,476,175
Capital surplus	543,769	433,714
Earned surplus	2,494,852	2,191,349
▴Incl. ref. EPT	79,540	130,928
*After depr. of	856,976	718,444
Working capital	4,521,808	3,473,495

CANADIAN VICKERS LTD. common shares will be divided on basis of 10 new shares for each old share held, subject to ratification of shareholders at the annual meeting.

LA PRESENTATION DE LA ST. VIERGE (DORVAL), school commission has sold $93,500 3% bonds due March 1, 1951-60 and $46,500 3½% due 1961-70 for 98.85 to Banque Canadienne Nationale and McNeil, Mantha Inc. Price was 98.85 for net cost of 3.469%. Provincial secretary's grant of $70,000 earmarked for servicing loan. Commission has no other long term debt; Dorval population 4,204.

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The Financial Post will provide subscribers as quickly as possible with the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INVESTMENTS

Cdn. Investment Fund

Are dividends payable on Canadian Investment Fund shares eligible for the 10% tax credit when making up income tax returns?

Canadian Investment Fund, as a mutual fund, ordinarily would not be taxable. However, under a new tax ruling, the company was allowed to elect to be taxed in order that its shareholders could claim the 10% tax credit allowed holders of common and preferred stocks of Canadian companies. For the year 1949, this meant that the company paid taxes equal to approximately 1.2 cents per share, but the tax credit to individual shareholders works out to the equivalent of about 2.2 cents per share, we understand.

Thus you should report the full amount of your dividends in filing your income tax return, but you will also be able to claim a tax credit equal to 10% of the value of those dividends.

Investment companies of this type are allowed to decide each year whether they wish to be taxed or not, and you should ascertain each year whether the company so elects or not. If it does not elect to be taxed, you cannot claim any tax credit on this portion of your dividend income. As the portfolio changes, it may be more advantageous to shareholders if the company does not elect to be taxed in some years, and you will undoubtedly be advised by the company as to its intentions each year.

Alta. Oil Rights

How are oil and gas rights held in Alberta? What are the requirements for leasing rights?

The prospectus on the recent Province of Alberta debenture issue stated, with regard to oil and gas reservations and leases, as follows:

"Private owners of land in the Province of Alberta, for the most part, hold only surface rights. Subsurface rights for the development of mineral resources, including oil and natural gas, are held by the Crown in the right of the Province of Alberta except in the case of certain large land owners and a few homesteaders who acquired their lands from the Crown in the right of Canada in the early settlement of Western Canada. In addition, the land in national parks and Indian reserves is owned by the Crown in the right of Canada. The total land area of the province, exclusive of such parks and reserves, is approximately 145 million acres, of which the mineral rights in approximately 132½ million acres are held by the Crown in the right of the Province of Alberta.

"Available mineral rights may be reserved or leased from the Crown in the right of Alberta in accordance with definite procedures established by provincial statutes and regulations thereunder. The objectives of these statutes and regulations include the orderly and scientific examination of unproven areas through Crown reservations, and the development of semiproven and proven areas through Crown leases.

"Crown reservations are for exploratory purposes and may be obtained on application to the Alberta Department of Mines and Minerals, upon compliance with certain procedures and the payment of required fees and deposits. A maximum of 100,000 acres may be included in a single reservation, with only two reservations permitted to each applicant. A reservation is for a four-month term, and requires a filing fee of $250 and a deposit of $2,500 for each 20,000 acres or less. Under proper conditions, a reservation may be extended without additional cost for two four-month periods, and then by three-month periods up to two more years, at rates ranging from 7c per acre, for the first extension, up to 25c for the last.

"In areas where exploration work is retarded because of terrain and climatic conditions, further extensions up to a maximum of 18 months may be obtained upon application to an arbitration board. A reservation may be terminated at any time by the province for non-compliance with established practices, or by the holder, in whole or in part, through abandonment.

"The holder of a reservation, at any time during the term of his reservation, has the privilege of selecting and acquiring Crown leases on not in excess of 50% of the available land in each township included in his reservation, subject to certain limitations as to the selection of contiguous acreage. A township consists of 36 sections or 23,040 acres. The remaining acreage may not be acquired under Crown development leases until advertised by the Department of Mines and Minerals and the right to lease requires the payment of a bonus, the amount of which is established by submission of sealed offers. The term of a Crown lease is 21 years and a lease is renewable for additional 21-year periods so long as the property is capable of commercial production. A single lease is limited to a minimum of a quarter section of 160 acres, and a maximum of nine sections or 5,760 acres. A lease requires the payment of registration fees and an annual rental of $1 per acre.

"In order to retain a Crown lease, according to the terms thereof, the holder is required, in the absence of unusual developments, to commence drilling operations within one year and, after a well has been completed, to start another well within 90 days if the first well is successful, and within six months if unsuccessful. Provision is also made for the drilling of additional wells according to this formula until the lease is fully developed, subject, however, to the current well spacing regulations.

"In addition to the rental of $1 per acre, which may be reduced in the case of certain gas lands, the leaseholder must pay to the province certain royalties. Such royalties are fixed from time to time by the Lieutenant-Governor in Council. The royalty on natural gas presently amounts to 15% of the selling price or fair value of the gas production but not less than ¾c per M cu. ft. The maximum royalty on oil for the first term of 21 years of a lease issued by the province is one sixth of gross production. As currently fixed to June 1, 1951, the royalty on oil is calculated at the percentage sliding scale equal to the square root of the daily average production of each calendar month with a minimum of 5% and a maximum of 15% or an operator may with his first return when a well comes into production elect to pay royalty of 12½% on gross oil produced."

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADA ELECTRIC CO. Amherst, N.S. 1949 net profit of $94,930 was 24.5% higher than 1948's $76,272. Gross operating revenue jumped $152,894 to $792,450 and killowatt hours sold were 25% higher.

Expansion program started in 1946 was completed. It included the new 20,000 h.p. plant at Maccam, opened in December, which doubled generating capacity. President N. T. Avard states electrical service will be extended as money becomes available.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$390,182	$312,344
Less: Depr.	85,879	64,903
Bond & other int.	155,956	108,560
Bd. disc. & exp.	6,000	6,000
Taxes	47,417	56,609
Net profit	94,930	76,272
Less: Divds.	45,000	45,000
Surplus for year	49,930	31,272
Times Interest Earned:		
Before depr.	2.50	2.88
After depr.	1.95	2.28
Earnings per Share and Dividend Record:		
Common	$10.35	$8.47
Paid	5.00	5.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$9,506	$144,108
Accts., etc., rec.	119,394	78,735
Inventory	82,298	116,574
Total curr. assets	211,198	339,417
Prep. exp.§	14,256	8,659
Misc. assets▲	14,237	41,709
Bd. disc. & exp.	137,598	169,564
Fixed assets*	5,074,193	4,209,098
Total assets	5,451,482	4,768,447
Bank overdraft	285	......
Accts., etc., pay.	237,274	221,314
Taxes pay.	6,231	23,778
Total curr. liabs.	243,790	245,092
Notes pay.	693,500	......
Consumers' dep.	24,705	21,863
Sink. fund res.	10,000	15,000
Funded debt	3,470,000	3,500,000
Capital stock	900,000	900,000
Earned surplus	109,487	86,492
*After depr. of	923,157	853,729
▲Incl. ref. EPT	3,689	22,839
§Included in curr. assets in co's report.		
Working capital	♦32,592	94,325
♦Excess of curr. liabs. over curr. assets.		

PAUL SERVICE STORES LTD. consolidated 1949 net profit of $69,543 was 57.3% lower than the 1948 net of $162,652. Record sales were not reflected in earnings, states President L. M. Smith, due to charging expansion program costs to operating expenses, and higher depreciation.

Present program of modernization and expansion has now been substantially completed and higher earnings are expected to result in 1950. A total of 60 stores is now operated in the Montreal district, up five units from 1948. A number of stores were modernized and their fronts rebuilt.

New interests which also control Toilet Laundries, took over management in July, 1949 but it is stated that no change in policies will be made. An annual dividend of $1 per share was established.

Annual meeting is April 24.

CONS. INCOME ACCOUNT

Years Ended:	Dec. 30 1949	Dec. 31 1948
Net earnings	$206,232	$313,157
Less: Depr.	88,470	48,985
Debent. int.	6,300	7,000
Inc. taxes	41,919	94,520
Net profit	69,543	162,652
Less: Com. divds.	12,500	......
Surplus for year	57,043	162,652
Earnings per Share and Dividend Record:		
Common	$1.39	$3.25
Paid	0.25	nil

CONDENSED CONS. BALANCE SHEET

As at:	Dec. 30 1949	Dec. 31 1948
Cash	$294,808	$321,024
Mkt. bonds	......	31,035
Accts. rec.	43,742	44,971
Inventories	19,380	14,419
Total curr. assets	357,930	411,449
Misc. assets▲	22,235	10,339
Fixed assets*	560,609	538,185
Total assets	940,774	957,973
Total curr. liabs.	66,729	91,353
Funded debt	140,000	180,000
Mtge. pay.	3,300	4,500
Other res.	19,933	19,152
Capital stock	50,000	50,000
Capital surplus	113,840	123,954
Earned surplus	546,772	491,014
▲Incl. ref. EPT	99	194
*After depr. of	248,068	177,055
Working capital	291,201	320,096

New Financing At Record Rate

Public bond financing in Canada in March amounted to $156,577,783, more than double that for March, 1949 ($68,262,276), according to a compilation made by Wood, Gundy & Co. Total bond financing in the first three months of 1950 amounted to $378,514,407 as compared with $177,501,384 for same period last year.

Largest issue in March was $60,700,000 Province of Alberta 2⅝%, 2¾% and 2⅞% debentures due March 1, 1961-1973 which were sold in the U. S. to yield from 2.625% to 2.90%. Proceeds of this issue are to be used to redeem on June 1, 1950 the outstanding debentures of the Province which are payable in U. S. dollars and which mature subsequent to Jan. 1, 1961.

Municipal financing in March totaled $13,552,783. Corporation and public utility bond financing totaled $74,825,000. British Columbia Electric Co. sold $20 millions 3½% first mortgage bonds series "E" due March 1, 1975 at 99 to yield 3.56%. An issue of $20 millions CPR convertible 20-year 3⅛% collateral trust bonds dated April 1, 1950 and to mature April 1, 1970 was offered at 98.75 to yield about 3.21%. Other large issues included $8 million Canadian Western Natural Gas Co. 3½% first mortgage sinking fund bonds due April 1, 1971; $10 millions Industrial Acceptance Corp. 4% sinking fund debentures due April 1, 1969 and $10 million Industrial Acceptance Corp. secured term notes series "F" due April 1, 1957, which were sold to institutions.

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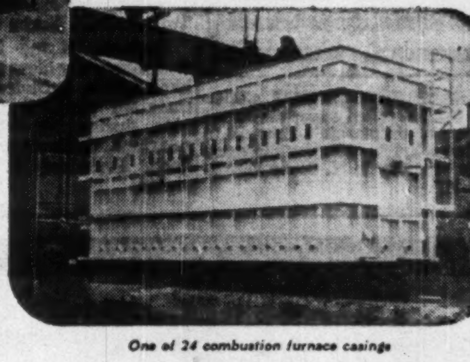
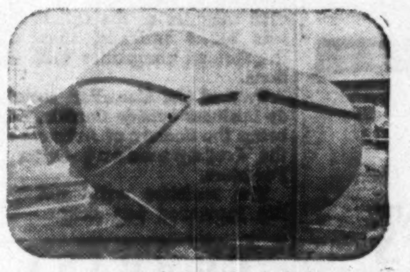
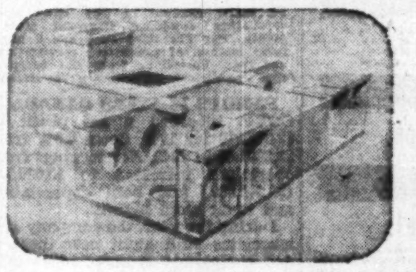

One of 24 combustion furnace casings

Nose plates for concrete piers


Aggregate bin for concrete plant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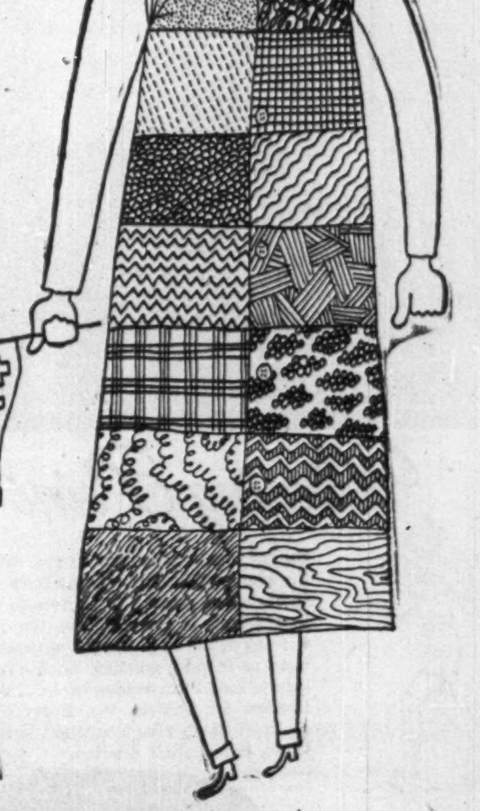

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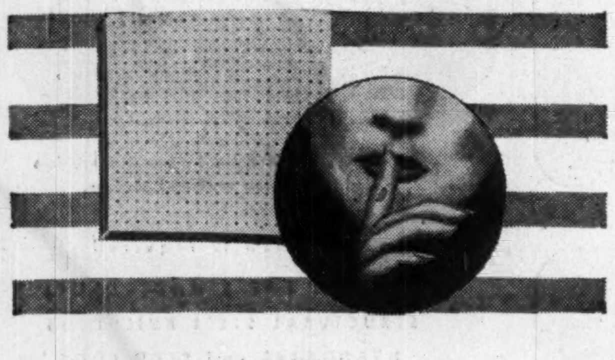
CANADIAN INDUSTRIAL ALCOHOL CO. has called a special general meeting of shareholders April 26 to confirm a bylaw changing the name of the company to H. Corby Distillery Ltd.

Toronto Iron Outlook Good

Toronto Iron Works Ltd. has completed purchase of Central Bridge Co., Trenton, Ont. The Trenton company's operations are closely allied to and easily integrated with those of the Toronto firm. It is anticipated that the addition will expand business and earnings, the annual meeting of Toronto Iron Works was told.

Business in the first quarter was seasonally slow but orders on hand are in sufficient volume to maintain production at a good rate during second and third quarters. Outlook for the year is good, President T. F. Rahilly states.



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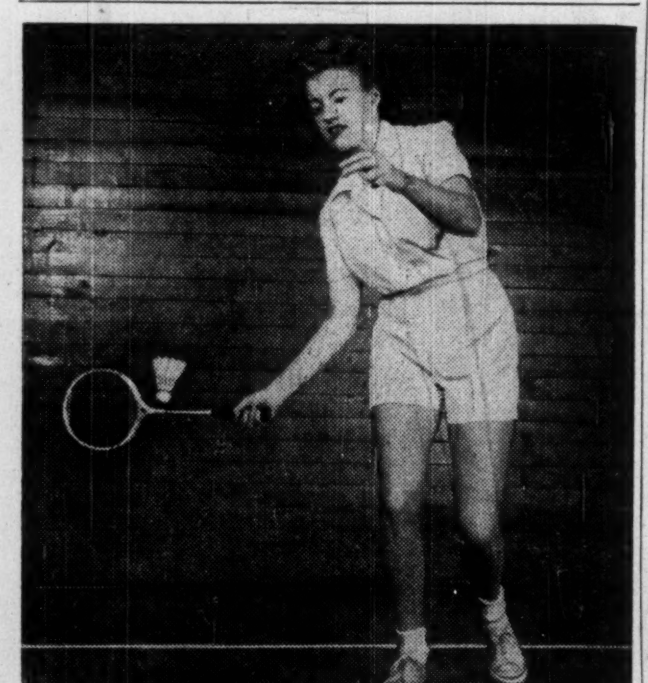

Winning Point

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UNION MADE

Fraternal Societies Show Increases In Insurance In Force, New Insurance

Canadians at the end of 1949 owned life insurance with the Dominion licensed fraternal societies totaling $257.2 millions, an increase of about $15.7 millions over 1948. This volume of life insurance is distinct from the $14.4 billions of life insurance in force with the regular line companies on Dec. 31.

New insurance effected with the societies in 1949 totaled $33.5 millions, a gain of almost $2.4 millions.

The figures just issued have been compiled by R. W. Warwick, superintendent of insurance for the Government of Canada.

Two Groups of Societies

Mr. Warwick divides the societies operating in Canada into two groups, Canadian and foreign, companies in the latter group having their head offices in the United States.

There are 44 fraternal societies altogether operating in Canada, 14 Canadian and 30 foreign. Total business in force with the Canadian societies at the end of 1949 was $133.5 millions, that with the foreign companies $123 millions.

Two of the Canadian societies do business outside Canada, these being the Society of Artisans and the Independent Order of Foresters.

The societies write not life insurance but sickness funeral and accident insurance as well.

Their combined services are illustrated in the words used by the Independent Order of Foresters, which features in its publicity "Fraternity plus insurance."

International Relations

The international nature of the membership of the societies and the constant communication between United States companies operating in Canada and their branches and members here and between the Canadian companies operating in the United States and their members there, is regarded as a powerful factor in building friendship between the two countries.

The accompanying table gives figures of the 1949 business with comparisons of the year's totals with the previous year.

THE RECORD OF FRATERNAL INSURANCE IN 1949

Canadian Societies

Society	Premiums paid $	New insurance Net amount $	Certificates in force Net amount $	†Certificates become claims Net amount $
Artisans, a	620,839	8,844,700	53,806,953	536,874
b	246,678	806,400	15,539,470	296,840
c	867,517	9,651,100	69,346,423	833,714
Associated Canadian Travellers, ac	5,529	143,835	589,370	540
Canadian Woodmen of the World, ac	143,711	136,750	3,133,281	99,066
Catholic Mutual Benefit Assn., ac	27,959	......	1,675,654	115,378
Commercial Travellers' Assn., ac	d124,520	73,750	6,755,155	196,922
Dom. Commercial Travellers' Assn., ac	78,939	......	4,367,700	114,572
Dominion General Benefit Assn., ac	47,811	88,500	1,717,501	5,500
Grand Orange Lodge of Brit. Amer., ac	d193,786	401,800	6,668,026	133,459
Independent Order of Foresters, a	517,523	7,574,806	40,222,637	1,163,155
b	1,104,848	10,629,744	82,071,870	2,098,086
c	1,622,371	18,204,550	122,294,507	3,261,241
Italo-Canadians, ac	3,956	11,800	194,964	3,234
Sons of Scotland, ac	161,482	933,250	8,722,237	117,311
Ukrainian Fraternal Society, ac	43,639	181,250	1,706,700	11,200
Ukrainian Mutual Benefit Assn., ac	20,168	170,250	783,739	4,332
Workers Benevolent Assn., ac	80,726	636,000	3,108,550	12,100
Total, 1949, a	2,070,568	19,196,691	133,502,467	2,513,643
b	1,351,526	11,436,144	97,611,340	2,394,926
c	3,422,094	30,632,835	231,113,807	4,908,569
Total, 1948, a	1,915,734	16,590,666	125,126,252	2,374,505
b	1,313,333	13,842,871	94,925,767	2,588,964
c	3,229,067	30,433,537	220,052,019	4,963,469

(a) In Canada. (b) Out of Canada. (c) Total business.
(d) Including receipts for expense purposes. †Death, maturity, disability and old age.

Foreign Societies

Society	Premiums paid $	New insurance Net amount $	Certificates in force Net amount $	†Certificates become claims Net amount $
Aid Ass'n for Lutherans	106,239	849,500	5,200,519	15,750
American Mutual	a2,547	......	317,760	6,319
American United	a3,501	......	442,457	14,764
Ass'n Canado-Américaine	150,586	1,090,900	8,714,902	75,587
Brotherhood of Railroad Trainmen	674,191	1,406,070	15,399,750	384,563
Catholic Order of Foresters	193,250	609,800	9,959,553	296,002
Croatian Fraternal Union	86,065	106,300	3,539,500	16,000
Expressmen's Mutual	a376	......	23,990	1,000
First Catholic Slovak Ladies Union	4,901	12,000	212,337	2,000
First Catholic Slovak Union	25,050	97,500	1,065,000	5,000
Jewish National Workers' Alliance	48,292	229,525	1,917,488	6,550
Knights of Columbus	833,678	4,350,853	35,930,288	203,379
Ladies' Catholic Benevolent Ass'n	3,293	......	132,777	3,687
Lutheran Brotherhood	37,019	287,800	1,534,587	6,250
Lutheran Mutual	5,506	......	242,014	6,500
Maccabees	547,883	3,686,845	24,424,003	150,577
Ministers Life and Casualty Union	67,456	514,500	3,326,114	21,000
Modern Woodmen	31,103	8,334	984,076	27,542
National Fraternal Society of the Deaf	4,006	14,000	272,583	250
National Slovak Society	5,003	11,500	279,733	4,500
Railroad Telegraphers	47,869	15,000	1,379,563	26,805
Royal Arcanum	60,268	171,000	2,777,076	77,185
Royal Clan	1,171	......	90,297	4,000
Slovene National Benefit Society	3,257	2,500	154,900	1,100
Sons of Norway	10,865	41,500	391,761	5,000
Ukrainian National Ass'n	63,138	438,500	1,760,500	11,500
Ukrainian Workingmen's Ass'n	15,324	233,050	528,740	1,250
Woman's Benefit Ass'n	46,964	100,013	2,055,541	21,491
Women's Catholic Order of Foresters	3,185	26,500	181,420	1,000
Workmen's Circle	2,961	31,500	186,400	2,800
Total, 1949	3,084,947	14,354,990	123,739,629	1,399,351
Total, 1948	2,937,821	14,582,536	116,357,042	1,282,310
Grand Total for Canada, 1949	5,155,515	33,551,681	257,242,096	3,912,994
1948	4,853,755	31,189,523	241,483,294	3,656,815

†Death, maturity, disability and old age. (a) Including receipts for expense purposes.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

FAMOUS PLAYERS CANADIAN CORP. recorded a net profit of $3,071,910 for 1949, down 6.5% from $3,286,264 in 1948. Net earnings from operations increased to $5,950,755 ($5,545,809) and both depreciation and taxes were higher.

During the year, the company and associates built eight new theatres and completely remodelled 11 others. Three drive-in theatres were acquired. These projects involved an outlay of over $3 millions which was financed out of current earnings and working capital.

President J. J. Fitzgibbons states that the company will continue modernizing existing theatres and plans include the development of several drive-ins. A number of sites are owned in Canada, on which to build when population warrants it. Cash resources are estimated to be more than enough to carry out this program.

CONS. INCOME ACCOUNT

Years Ended:	Dec. 31 1949	Jan. 1 1949
Net earns. from oper.	$5,950,755	$5,545,809
Less: Depreciation	1,062,350	780,223
Inc. tax res.	1,805,676	1,465,213
Minor. share	10,819	14,109
Net profit	3,071,910	3,286,264
Less: Com. divds.	1,737,072	1,737,072
Surplus for year	1,334,838	1,549,192
Earnings per Share and Dividend Record:		
Common	$1.77	$1.89
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET

As at:	Dec. 31 1949	Jan. 1 1949
Cash & govt. bds.	$2,166,654	$2,211,855
Guar. inv. certifs.	3,180,000	3,490,000
Accts. rec.	1,036,875	958,454
Inventories	505,680	626,774
Total curr. assets	6,889,209	7,287,083
Inv. in subs., etc.	3,485,014	3,289,653
Misc. assets▲	854,894	1,039,663
Fixed assets*	16,103,919	14,280,245
Total assets	27,333,036	25,896,644
Accts., etc., pay.	544,275	869,745
Taxes pay.	607,000	100,926
Total curr. liab.	1,151,275	970,671
Advance pay.	324,685	371,695
Contingencies res.	77,253	77,253
Minority interest	83,476	117,376
Capital stock	10,764,890	10,764,890
Capital surplus	47,621	45,761
Earned surplus	14,883,836	13,548,998
*After depr. of	13,073,988	12,461,467
▲Incl. ref. EPT	212,084	346,945
Working capital	5,737,934	6,316,412

CONSOLIDATED TEXTILE MILLS LTD. reports a 6.6% increase in consolidated net profit for 1949, to $589,537 from $552,980 in 1948.

President G. H. Bornstein states that a new mill will be built at St. Hyacinthe to accommodate the two plants now operating there in separate rented premises. Arrangements have been completed for purchasing a suitable site and a satisfactory agreement has been reached with the city council and school commission at St. Hyacinthe for fixed municipal and school taxes for 15 years, subject to the approval of the Quebec Legislature.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$1,158,491	$992,736
Less: Depr.	168,100	110,572
Bond int.	3,738	4,550
Income taxes	396,969	326,534
Add: Prof. sec. sale	•150	1,900
Net profit	589,534	522,980
Less: Pref. divds.	15,620	18,660
Pref. s.f.	52,956	18,002
Com. divds.	120,000	30,000
Surplus for year	400,958	468,318
•Loss.		
Earnings per Share and Dividend Record:		
Preferred	$37.74	$29.63
Paid	1.00	1.00
Common	2.87	2.67
Paid	0.60	*0.60
*Before 4-for-1 split in 1948.		

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$406,072	$454,566
Accts., etc., rec.	416,423	188,381
Inventories	517,886	392,426
Total curr. assets	1,340,381	1,035,373
Prep. exp., etc.§	25,181	15,475
Misc. assets▲	72,282	98,761
Fixed assets*	622,511	462,080
Rts. & trademarks	1	2,566
Total assets	2,060,356	1,614,255
Total curr. liabs.	380,394	313,411
Funded debt	110,000	130,000
Pref. s.f.	109	108
Capital stock	362,400	423,200
Capital surplus	95,096	36,861
Earned surplus	1,112,357	710,675
*After depr. of	532,054	363,954
▲Incl. ref. EPT	13,226	21,063
§Incl. in curr. assets in co's report.		
Working capital	959,987	721,962

STEDMAN BROS. LTD. reports net profit for 1949 of $870,774, up 9.4% from $796,180 in 1948. Volume increased by 8%.

As part of an expansion and improvement program, delayed partly by high material costs and labor shortage, a property was bought in Toronto, on which a new warehouse is expected to be completed in the fall. Facilities will then be concentrated in one building instead of three.

So far, 1950 has shown some area variations but compares favorably with 1949, states President S. W. Stedman. He warns, however, that profits must come from increased volume as indications point to keen competition and prices cannot be raised without forcing consumers to substitutes.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net oper. inc.	$1,506,092	$1,328,633
Less: Deprec.	72,156	41,881
Income taxes	563,162	490,572
Net profit	870,774	796,180
Less: Com. divd.	325,734	244,301
Surplus for year	545,040	551,879
Earnings per Share and Dividend Record:		
Earned	$2.14	$1.96
Paid	0.80	0.60

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$1,167,746	$1,182,974
Accts. rec.	416,847	417,298
Investments	8,566	8,566
Inventories	1,867,244	1,197,721
Life insur.-c.s.v.	32,297	29,187
Total curr. assets	3,492,700	2,835,746
Misc. assets▲	227,682	289,060
Fixed assets*	823,951	643,101
Total assets	4,544,333	3,767,907
Total curr. liab.	384,835	176,997
Capital stock	294,801	294,801
Capital surplus	5,200	5,200
Earned surplus	3,859,497	3,290,909
*After depr. of	566,108	524,040
▲Incl. ref. EPT	158,893	231,796
Working capital	3,107,865	2,658,749

New Solvent Unit For Dow Chemical

Dow Chemical Co., Midland, Mich., and Sarnia, Ont., will break ground this month at the Sarnia plant for a new plant unit to make dry cleaning solvents. Cost will be about $1 million including equipment. N. R. Crawford is Canadian president and manager.

Dow earlier (The Financial Post, Jan. 14) said its 1950 program also will include: (a) extension to chlorine plant—several additional "cells"; (b) tank car wash house; (c) four glycol storage tanks; (d) compressed air system; (e) a third salt well.

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HEAD OFFICE TORONTO

NEW ALGER MINES April 1 installment of 100,000 shares at 15c. a share and each subsequent installment, under agreement with F. X. Forgues, have been extended for three months.

ROXANA OILS CO. reports that by resolution of directors dated Feb. 8, Britalta Petroleums has been granted an option on 100,000 shares at 50c. a share, in consideration of certain services to the company.

JACKNIFE GOLD MINES March 29 installment of 250,000 shares at 7½c. a share and each subsequent installment, under agreement with Astral Mining & Resources, have been extended for 60 days.

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THE WESTERN ASSURANCE COMPANY — THE BRITISH AMERICA ASSURANCE COMPANY

TORONTO — CANADA

The Western Assurance Company — Balance Sheet—December 31st, 1949

ASSETS		
Cash in Banks		$ 4,454,363.90
Securities		14,390,331.87
Other Assets		3,063,338.92
TOTAL ASSETS		$21,908,034.69
LIABILITIES		
Provision for Claims in Course of Settlement		$ 4,565,132.08
Reserve for Unearned Premiums		5,663,414.54
Other Liabilities		4,911,886.16
TOTAL LIABILITIES		$15,140,432.78
Capital Stock	$1,400,000.00	
Shareholders' Surplus	5,367,601.91	
Surplus for Protection of Policyholders		6,767,601.91
		$21,908,034.69

The British America Assurance Company — Balance Sheet—December 31st, 1949

ASSETS		
Cash in Banks		$ 1,692,462.29
Securities		10,044,803.71
Other Assets		1,338,042.14
TOTAL ASSETS		$13,075,308.14
LIABILITIES		
Provision for Claims in Course of Settlement		$ 2,458,875.09
Reserve for Unearned Premiums		3,531,624.70
Other Liabilities		2,043,940.98
TOTAL LIABILITIES		$ 8,034,440.77
Capital Stock	$ 750,000.00	
Shareholders' Surplus	4,290,867.37	
Surplus for Protection of Policyholders		5,040,867.37
		$13,075,308.14

BOARDS OF DIRECTORS

G. STUBINGTON, (President and General Manager)
E. A. Brownell
John L. McCarthy
Wilfrid M. Cox
John F. Lash, K.C.

S. H. Logan
W. E. Meikle
W. M. O'Connor
Sir George B. Morton, O.B.E., M.C.

GRAHAM MORROW (Vice-President)
Kenneth Thom
K. M. Pringle
Henry J. Wyatt
Stanley M. Wedd.

G. A. MORROW
Chairman of the Board

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 270

Notice is hereby given that a dividend of twenty-five cents per share upon the paid-up capital stock of this Bank has been declared for the quarter ending 29th April, 1950. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the first day of May, 1950, to shareholders of record of the 15th April, 1950.

By Order of the Board.

A. C. ASHFORTH,
General Manager.

Toronto, 9th March, 1950.

Dominion Steel and Coal Corporation Limited

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of 25 cents per share on the outstanding Common Class "B" shares of the Capital Stock of the Corporation has been declared for the quarterly period ending March 31, 1950. Such dividend to be payable on April 29, 1950, to shareholders of record at the close of business on April 8, 1950.

By Order of the Board.

G. C. BROADBENT,
Secretary & Treasurer.

Montreal, P.Q.,
March 30, 1950.

Dominion Coal Company, Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of 75 cents per share on the outstanding 6% Cumulative Sinking Fund Preferred Stock of this Company has been declared payable on April 29, 1950, to shareholders of record at the close of business on April 8, 1950, said dividend being the regular quarterly dividend of 38 cents per share for the quarterly period ending March 31, 1950, plus a payment of 37 cents per share on account of arrears of accumulated dividends on such Preferred Stock.

By Order of the Board.

G. C. BROADBENT,
Secretary & Treasurer.

Montreal, P.Q.,
March 30, 1950.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a quarterly dividend of Twenty-Five Cents (25c) per share, for the quarter ending February 28, 1950, has been declared on the Ordinary Stock, without nominal or par value, of the Company, payable May 1, 1950, to shareholders of record the 10th day of April, 1950.

By Order of the Board.

P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, Que.,
February 9, 1950.

DAVIS LEATHER COMPANY LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that a quarterly dividend of 37½c per share has been declared on the outstanding Class A shares of this Company, payable June 1, 1950, to shareholders of record at the close of business on May 1, 1950.

Notice is hereby given that a quarterly dividend of 17½c per share has been declared on the outstanding Class B shares of this Company payable June 1, 1950, to shareholders of record at the close of business on May 1, 1950.

By Order of the Board.

KENNETH C. BENNINGTON,
Secretary-Treasurer.

Newmarket, Ontario,
April 4, 1950.

MERCURY MILLS LIMITED

DIVIDEND NOTICE

Notice is hereby given that a regular quarterly dividend of fifteen cents has been declared on the paid-up no-par value common shares of the Company for the quarter ending March 31st, 1950, payable on May 1st, 1950, to shareholders of record at the close of business, April 15th, 1950.

By Order of the Board,

W. ALEXANDER,
Secretary-Treasurer.

Dated at Toronto, March 28th, 1950.

NORTHWESTERN UTILITIES, LIMITED

NOTICE IS HEREBY GIVEN that the Board of Directors of this Company has declared the Fifteenth Quarterly Dividend of $1.00 per share payable on May 1st, 1950, upon the outstanding 4% Cumulative Preference Shares of the Company, such dividend to be paid to the Shareholders of record at the close of business on April 14th, 1950. Cheques will be mailed.

DATED at Edmonton, Alberta, the 4th day of April, 1950.

C. L. METCALFE,
Secretary.

THE STOWELL SCREW COMPANY LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that a dividend of Seventy-five cents (75c) per share, being at the rate of $1.50 per share per annum, has been declared on the Class "A" Shares of Capital Stock of THE STOWELL SCREW COMPANY LIMITED for the half year ending May 31, 1950, payable June 1, 1950.

MONTREAL, P.Q., April 3, 1950.

(SGD.) A. M. MORRISSEY,
Secretary.

Purity Flour Mills Limited

DIVIDEND NOTICE

Cumulative Redeemable Preference Shares

Notice is hereby given that the regular quarterly dividend of eighty-seven and one-half cents (87½c) per share, on the Cumulative Redeemable Preference Shares of the par value of $40 each, will be paid on the 1st day of May, 1950, to Shareholders of record at the close of business on the 14th day of April, 1950.

This dividend covers the period from 1st February, 1950, to 30th April, 1950.

By Order of the Board.

A. H. DENOON,
Secretary.

Toronto, Ontario,
April 3rd, 1950.

DIVIDEND NOTICES

NOTICE OF INTERIM DIVIDEND

Alberta Pacific Consolidated Oils Ltd.

NOTICE is hereby given that an interim dividend of Two Cents per share on the issued capital stock of the Company has been declared payable on June 10, 1950, to shareholders of record at the close of business on May 10, 1950.

SHAREHOLDERS HOLDING CERTIFICATES IN "STREET FORM" SHOULD SEND THEM IN FOR TRANSFER TO THEIR OWN NAME IN ORDER TO QUALIFY FOR THE PAYMENT. TRANSFERS MAY BE MADE AT THE OFFICES OF THE CROWN TRUST COMPANY AT CALGARY AND TORONTO.

By Order of the Board,

J. L. HUNT,
Secretary.

MAILMAN CORPORATION LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of One Dollar and Twenty-five Cents ($1.25) per share has been declared on the outstanding Preferred Shares of the Corporation for the quarter ending April 30th, 1950, payable April 29th, 1950, to Shareholders of record at the close of business on April 14th, 1950.

By Order of the Board.

WM. F. MACKLAIER,
Secretary.

Montreal, April 5th, 1950.

AUNOR GOLD MINES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Six Cents (6c) per share, has been declared by the Directors of Aunor Gold Mines Limited payable June 1st, 1950, to shareholders of record May 10th, 1950.

By Order of the Board.

C. H. WINDELER,
Secretary.

Toronto, Ontario,
April 5th, 1950.

BOWES COMPANY, LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of fifty cents (50c) per share, together with a special dividend of two dollars ($2.00) per share, on the Class B Shares of the Company has been declared payable on and after the 15th day of May, 1950, to holders of record at the close of business on the 1st day of May, 1950.

By Order of the Board.

A. W. BAILLIE,
President.

Toronto, Ont.,
April 6th, 1950.

BOWES COMPANY, LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the quarterly dividend of twelve and one-half cents (12½c) per share on the Class A Shares of the Company has been declared payable on and after the 15th day of May, 1950, to holders of record at the close of business on the 1st day of May, 1950.

By Order of the Board.

A. W. BAILLIE,
President.

Toronto, Ont.,
April 6th, 1950.

SHIRRIFF'S LIMITED

DIVIDEND NOTICE

Notice is hereby given, that the following Dividends have been declared for the quarter ending the 31st day of March, 1950.

On the outstanding 5% Cumulative Redeemable Preferred Shares of the Company, one and one-quarter per cent (1¼%) (25c) per share, payable on the 1st day of May, 1950, to shareholders of record on the 14th day of April, 1950.

On the outstanding Class A Shares six cents (6c) per share, payable on the 1st day of May, 1950, to shareholders of record on the 14th day of April, 1950.

By Order of the Board.

J. G. McKNIGHT,
Secretary.

Dated at Toronto,
April 6, 1950.

DOMINION SQUARE CORPORATION

Notice is hereby given that a dividend of one dollar ($1.00) a share has been declared on the capital stock of the Corporation for the quarter ended 31st January, 1950, payable 15th April, 1950, to shareholders of record at the close of business on the 8th April, 1950.

By Order of the Board.

J. S. McFARLAND,
Secretary.

NOTICES

MONTREAL TRAMWAYS COMPANY

ANNUAL GENERAL MEETING

Notice is hereby given that in accordance with the By-laws of the Company, the Annual General Meeting of the Shareholders of MONTREAL TRAMWAYS COMPANY will be held at the Company's Offices, Tramways Building, 159 Craig Street West, Montreal, P.Q., at 12 o'clock noon, on Thursday, the 20th day of April, 1950. This meeting will be held for the reception of the Annual Report, Election of Directors, and the transaction of such other business as may legally come before said meeting.

The Transfer Books will be closed from the 31st day of March, 1950, to the 19th day of April, 1950, both days inclusive.

By Order of the Board.

T. D. ROBERTSON,
Secretary-Treasurer.

MONTREAL, February 21st, 1950.

Brighter Crop Prospects Cheer Western Farmers

(Special Correspondence)

WINNIPEG—A somewhat more cheerful attitude toward the prospects of the coming crop prevails in Western Canada than was the case a couple of months ago. Then, attention was fixed on the dryness of the subsoil prevailing over the greater part of the wheat growing area. Now attention is on fair surface moisture conditions indicating the crop can be seeded with chances of a fair start.

At last freezeup following extreme summer drought in parts of Saskatchewan and of Alberta and after an extraordinary dry fall, there were widespread fears that the west might have entered upon another drought cycle, such as occurred during the '30's. Heavy winter snowfall, however, tended to alleviate fears that another long drought period was in the making.

Announcement of the initial price for wheat for the coming crop on the basis of $1.40 per bushel, as against the presently prevailing $1.75 has caused disappointment rather than complaints among western farmers. They had expected some decline, but not so much. An initial price of $1.54 corresponding to the minimum set under the international wheat agreement, would probably have been accepted without comment.

It appears to be recognized that the government in naming the level set, is playing safe and protecting itself against the possibility of loss should a large wheat crop be harvested in 1950, and yield a surplus that would have to be carried forward into succeeding years for sale at possibly lower prices.

One criticism occasionally heard is that the reduced initial price may be taken by buyers as a forecast of lower prices to be expected in the international market, and do something to accelerate a decline. The lowered price is not expected to have much influence upon farmers' seeding plans. Most of them will follow the accepted practice of seeding wheat to the full extent made practicable by the area of land in good cultivation, and the length of the seeding season. The extent of land put into other crops, which can be seeded later, will depend more upon weather prevailing during May, and the progress made in wheat seeding, than upon price.

$1.75 to July 31

Farmers delivering wheat up to July 31 will be paid upon the basis of $1.75 per bushel, and they expect at least another five cents. On any wheat held over past that date, their assured returns will be less by 40 cents per bushel. There will be the strongest possible incentive for most farmers to sweep their bins clean of wheat before that date. The farm carryover will be brought much lower than usual. There are possibly a few among larger farmers who, because of income tax reasons, will choose to hold some wheat on their farms at the risk of taking lower prices in the future, but neither their number or the total quantity of wheat involved will be large.

At first sight, a prospective reduction in farm purchasing power by perhaps $100 millions, due to a lower initial price for wheat, might seem to threaten a deflationary influence. There are, however, several offsetting factors. One is the probable distribution by the Canadian Wheat Board of additional payments, before the end of the calendar year, on the wheat crop of the past five years, and of the oat and barley crops of the past year, which will take up a very substantial part of that sum. Then, there are the remarkably high prices now being received for beef cattle. On the whole, therefore, farmers are not likely to be short of money, except where crop failures occurred last year, or may occur this year, during the remainder of 1950.

Remarkably high prices have prevailed recently for oats and barley, with feed grains ranging up to $1.05 per bushel, and $1.40 respectively, while malting barley has been as high as $1.80 per bushel. That is due to an extreme shortage of these grains in deliverable position, rather than to an over-all shortage. During the winter months, the capacity of the railways to get grain forward to terminals from the country elevators has been limited.

It was the policy of the wheat board to concentrate shipments in wheat rather than in coarse grains to take advantage of a strong existing demand which might not continue and to be sure of plentiful supplies in Lakehead terminals for the opening of navigation. At the same time, farmers have been under no pressure such as, under other conditions, might have resulted from high prices, to market oats and barley. They know that under the wheat board marketing system, they will get exactly the same return whether their deliveries are early or late. Buyers in eastern Canada who had expected that the marketing of oats and barley through the wheat board would result in a steadier level of prices throughout the year, are expressing a good deal of natural disappointment at the present situation.

Must Accept Highest Bids

The wheat board, of course, can do nothing else but accept the highest bids which are made for the limited quantities of oats and barley which it has available for sale from day to day, or let the most insistent buyers have the grain. It must be admitted, however, that present price levels, and market fluctuations throughout the year higher than would have been expected under open market conditions, are a direct result of the present marketing system. That arises from the fact that the day to day supplies of feed grains available for the market do not respond, as used to be the case, to changes in demand or in price.

During recent weeks, the market has paid much attention to reports of severe damage to winter wheat in the southern part of the U. S. where dust storms have been experienced over a wide area, and where total failure is threatened to a good deal of the crop. The crop estimate just published by the U. S. department of agriculture indicates a prospective loss on that account of 150 million bushels of wheat. Nevertheless, it indicates a possible total wheat crop for the U. S. in 1950 of 1 billion bushels, which up to a few years ago would have been considered very large. Damage so far experienced conveys no threat of a wheat shortage in the U. S., but simply makes the prospective surplus, including a large carryover at the end of this year, less burdensome than would otherwise be the case.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

INTERNATIONAL PAPER CO. 1949 net profit was off 14.6% at $51,646,739. Net sales amounted to $415,540,851 as compared with $458,802,749 in 1948. During the year 2,959,420 (3,127,320) tons of paper, container board and pulp were produced. Canadian operations accounted for 948,261 tons (967,044).

Net expenditures for additions and improvements to mill properties and woods equipment of the company and its subsidiaries amounted to $26,803,140. In addition $3,603,656 was paid out for purchase of woodlands. Figures include $3,839,596 on net expenditures of Canadian subsidiaries. The 1949 expenditures include over half the cost of constructing the new dissolving pulp mill at Natchez, Miss., where operations are expected to begin around May, 1950. This mill will have a capacity of 300 tons a day.

No appropriation from 1949 net profits was made to the reserve for inventory price adjustment which stood at $18 millions, created prior to 1949. In January 1950 $3,087,285, representing the U. S. dollar equivalent, after deducting Canadian withholding taxes, of distributable earnings of years prior to 1948, were paid to International Paper Co. and it is expected that payments applicable to 1949 earnings of Canadian subsidiaries will also be made during 1950.

CONS. INCOME AND SURPLUS ACCOUNT

Yrs. End. Dec. 31:	1949 $	1948 $
Net sales	415,540,851	458,802,749
Net earnings	♦103,485,402	113,827,466
Less: Deprec.	13,699,085	12,474,165
Depletion	813,174	881,272
Inc. tax res.	37,326,404	41,812,493
Add: nonrecur. items	......	1,829,730
Total profit bal.	51,646,739	60,489,266
Less: Pref. divd.	920,000	920,000
Com. divds.	17,800,000	17,800,000
Invent. res.	......	6,000,000
Replace. res.	......	6,000,000
Surplus for year	32,926,739	29,769,266

♦Includes $2,038,069 net profit on foreign exchange.

Earnings per Share and Dividend Record:

	1949	1948
4% preferred	$224.55	$263.00
Paid	4.00	4.00
Common*	7.12	8.37
Paid (old)	4.00 + 1.00	3.75 + 1.25

*Based on 7,120,000 com. shs. o/s after 2-for-1 split on Dec. 20, 1949.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & govt. secs.	34,189,302	23,708,398
Accts. rec.	25,748,096	25,977,915
Special fund	8,767,087	......
Inventories	54,867,031	68,541,761
Total curr. assets	123,571,516	118,228,074
Def. assets & exps.	3,768,757	5,003,021
Investments	8,295,166	7,992,261
Cap. exp. fund	23,596,000	21,451,500
Plants & props.▪	153,124,163	140,020,108
Woodlands	33,335,186	30,545,704
Total assets	345,690,788	323,240,668
Accts. pay.	10,653,498	13,574,050
Accr. tax., etc.*	15,684,484	18,739,373
Total curr. liab.	26,337,982	32,313,423
Reserves	44,071,267	45,386,835
Capital stock	76,400,000	76,400,000
Cap. re pf. conv.	40,430,070	40,430,070
Capital surp.	12,799,622	12,799,622
Surplus	145,651,847	115,910,718
▪After depr. of	154,006,095	142,202,150
Working capital	97,233,534	85,914,651

*After deducting U. S. Tax Anticipation Notes totaling $30,788,314 in 1948, $27,069,573 in 1949.

NEW GOLDVUE MINES has received payment for an additional 30,0000 shares at 20c. a share, balance of April 17 installment, together with 10,000 shares to apply on May 17 installment under agreement with Torny Financial Corp. Issued capital is 1,826,171 shares, leaving 1,173,829 in treasury.

DIVIDEND NOTICES

A. J. FREIMAN LIMITED

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board a quarterly dividend of twelve and one half cents (12½c) per share on the Common Shares of the Company has been declared, payable on and after the 1st day of May, 1950, to holders of record at the close of business on the 20th day of April, 1950.

DATED at Ottawa this 8th day of April, 1950.

LAWRENCE FREIMAN,
President.

A. J. FREIMAN LIMITED

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board the quarterly dividend of 1⅛% upon the outstanding Preference Shares of the Company has been declared, payable on and after the 1st day of May, 1950, to holders of record at the close of business on the 20th day of April, 1950.

DATED at Ottawa this 8th day of April, 1950.

LAWRENCE FREIMAN,
President.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BURNS & CO. reports net profit of $680,582 for the year ended Dec. 28, 1949, up 11.2% from the previous year's $607,526. Total sales fell 7.7% to $80,713,824 solely due to a reduced volume of bacon shipped to the U. K. Export sales dropped a sharp 54.3% to $6,885,433 due to this factor. Sales to other export markets showed continued development but were hampered by exchange limitations and import restrictions. Domestic sales, however, rose in volume, and in dollar value from $71,591,454 to $73,828,392. Total sales of the company and its subsidiaries were down slightly at $137,693,812.

Continued high level of livestock and meat prices was shown. Through most of the year, pork prices remained well above the support level maintained by the bacon contract with U. K.

Sales outlook for 1950 appears somewhat confused, states President R. J. Dinning. Competition for domestic trade has been increasingly keen and he emphasizes that it will be necessary to depend on the home market more than ever for development of sales, particularly of pork products. Bacon contract with the U. K. should help stabilize the farm economy through the early part of the year, but indefinite and unfavorable pork export outlook could foreshadow possibility of a rather unsettled condition developing at that time.

Greatest single factor in the high meat prices so far in 1950 has been the U. S. demand for Canadian cattle. Beef prices are at an all-time high, except for August, 1948. This has spurred pork consumption and pork prices have risen well above export value. Shipment of bacon has therefore been substantially curtailed.

Drops in inventory values caused some losses through the year. To guard against this in 1950, inventory reserve was increased by $300,000. Liquidation of stocks and lower prices are reflected in the year end inventory — $4,730,953, compared with $8,108,789 at Dec. 31, 1949. The $2,876,000 fall in bank borrowings, to $981,000, shows this reduction. One large item is butter, now stored by the government instead of the company.

Substantial capital outlays were made to further increase operating facilities. More will be made in 1950, including $500,000 at Edmonton, $200,000 at Vancouver and important amounts at other plants. To finance these, the company plans to issue $1,200,000 of 4% bonds.

Dividends from subsidiaries aggregated $562,460, up $397,551 from 1948. Most of this represents part of the accumulated surplus carried in a wholly owned subsidiary and now transferred to the parent company by way of dividends. Consolidated Fruit Co. sales showed a decided increase, it is stated. Collections were very satisfactory and the bank loan was completely retired. A large new warehouse was built in Calgary, slated to open early in 1950.

Palm Dairies Ltd. experienced, in August, some reversal of the trend of unfavorable operating conditions which developed in 1948. Gross profits improved as costs of supplies and ingredients leveled off. Sales of milk and cream continued to advance, while ice cream remained steady and butter production dropped sharply.

INCOME ACCOUNT

Years Ended:	Dec. 28 1949 $	Dec. 29 1948 $
Sales	80,713,824	87,468,778
Total net income	2,254,391	2,374,030
Less: Deprec.	521,525	451,871
Bank int.	54,973	154,588
1st mgte. bd. int.	127,311	131,045
♦Invent. res.	300,000	200,000
Replace. res.	200,000	300,000
Income tax	370,000	529,000
Net profit	680,582	607,526
Less: Divds.	262,394	248,088
Surplus for year	418,188	359,438
Times Bond Interest Earned:		
Before deprec.	17.28	16.94
After deprec.	13.18	13.49
Earnings per Share and Dividend Record:		
Cl. A: Earned	$20.32	$18.14
Earned‡	5.52	5.01
Paid	2.60	2.20 + 0.30
Cl. B: Earned‡	4.52	4.01
Paid	1.60	1.20 + 0.30

‡After participation.

CONDENSED BALANCE SHEET

As at:	Dec. 28 1949	Dec. 29 1948
Cash	$1,007,976	$559,254
Accts. rec.	3,708,534	3,615,917
Inventories	4,730,953	8,108,789
Total curr. assets	9,447,463	12,283,960
Prepaid exps., etc.§	199,348	189,482
Def. charges	258,317	220,250
Misc. invests.	242,412	232,973
Invests. in subs.	1,630,539	1,499,249
Fixed assets*	6,376,291	6,443,531
Total assets	18,154,370	20,869,445
Bank loans & o'draft	981,000	6,078,277
Accts., tax., etc., pay.	4,318,358	2,188,000
Bonds pay.	150,000	150,000
Total curr. liab.	5,449,358	8,416,277
Replace res.	500,000	300,000
Funded debt	3,100,000	3,250,000
Capital stock	2,724,300	2,724,300
Capital surplus	3,678,509	3,894,943
Earned surplus	2,702,113	2,283,925
*After depr. of	8,791,791	8,098,990
Working capital	4,347,433	4,207,165

§Incl. in curr. assets in co's report.
Conting. liab. — Bank loan guarantee, $50,000.
(Working capital including prepaid exps. and excluding current bond maturities, as per trust deed).

FORD MOTOR CO. OF CANADA reports 1949 was the most successful in the company's history. Its net profit of $17,256,762 was nearly 2.2 times the 1948 net of $7,969,535. The increase was due to increased sales volume and to move favorable conditions which permitted almost uninterrupted production.

Total sales, 26% higher than in 1948, were an all-time record. The increase was wholly attributable to improved sales in the Canadian market, up 49.1%, President Rhys M. Sale states.

Sales in Canada totaled $182,007,638, or 85.8% of total sales volume ($122,118,522 or 72.6% in 1948). Export sales dropped to $29,958,963 ($46,170,366), the proportion of total sales volume being at the lowest level in many years, principally because of increasing import restriction imposed in non-dollar areas.

Production of passenger cars and trucks set a record at 112,130 (97,015 units). The company was Canada's largest automotive manufacturer, with 38.6% of Dominion production during the year, Mr. Sales states.

The number of Canadian-built passenger cars and trucks sold exceeded that for any preceding year, amounting to 112,207 units (96,747 units). The Canadian market absorbed 84.5% of Canadian-made cars and trucks sold by the company (64%). The combined total of 94,796 passenger cars and trucks sold represented 35.7% of all vehicles of Canadian and U. S. origin wholesaled in the Dominion during 1949, (28.8% in 1948).

"More Canadians bought Ford passenger cars than any other make in any price class, and although the company's Meteor passenger car had been introduced as recently as June 1948, it moved into third place among all makes. Both Mercury and Monarch passenger cars outsold all competing cars in their price group," Mr. Sales stated. The company's two lines of trucks, Ford and Mercury, with a combined total of 29,314 units, accounted for 33.9% of all trucks of Canadian or U. S. origin sold in the Dominion. Passenger car sales by the company in Canada totaled 65,484 units (36,544 units).

In addition, Ford of Canada sold 3,920 passenger cars and 989 light commercial vehicles imported from Ford Motor Co. of England (1295 and 730). Tractor sales totaled 11,051 (8,597). Of the 1949 total, 10,585 were Ford tractors imported from the U. S. but in the latter part of the year 466 Fordson Major tractors were imported from England as a market for this type is being developed in Canada, Mr. Sale states.

Although the number of vehicles shipped overseas in 1949 totaling 17,415 units (34,845) was the smallest since 1933, the company continued to be the largest exporter of cars and trucks among Canadian manufacturers.

Fixed assets valued at $2,447,403 were added during the year, consisting principally of machinery and equipment. Disposals of obsolete and worn out equipment amounted to $892,234.

Combined profits of subsidiary companies for 1949, computed at rates of exchange current at the end of the year were equal to $6,818,368 ($5,474,044). Profits as measured in local currencies increased much more than the dollar figures indicate. The small increase in the combined surpluses expressed in dollars of the subsidiaries, notwithstanding the relatively high profit levels of last year, also is a reflection of the fall in exchange rates.

Volume of sales by the company's wholly owned subsidiaries in Australia, New Zealand, South Africa, India, Malaya, continued at a high level, being sustained by importations of the products of the English Ford company. The English products accounted for 46% of the combined sales volume of the overseas companies as compared with the 1935-39 average of 16.7%.

Effective May 1, 1949, a new relationship agreement replaced that which had been in effect between Ford of Canada and U. S. Ford Motor Co. since the original incorporation of the Canadian company in 1904. Under the new agreement the U. S. company assumes much wider obligations towards the Canadian company in respect of general commercial assistance, the supply of materials and furnishing technical and other information. All provisions placing restrictions upon the sale of Ford products by the parties have been removed, and each company agrees to co-operate with, and assist the other to the fullest degree in promoting its export sales in general commercial interest.

INCOME AND SURPLUS ACCOUNT

Years End. Dec. 31:	1949 $	1948 $
Sales	212,036,601	168,288,888
Net earnings♦	30,487,289	14,626,908
Less: Deprec.	1,754,283	1,700,373
Invent. res.	......	1,000,000
Supp. remun. res.	577,244	......
Inc. tax res.	10,879,000	3,957,000
Net profit	17,256,762	7,969,535
Less: Cl. A divds.	3,177,920	3,177,920
Cl. B divds.	140,000	140,000
Surplus for year	13,938,842	4,651,615

♦Incl. profit on sale of fixed assets and investments of $47,956 in 1949, $59,728 in 1948.

Earnings per Share and Dividend Record:

	1949	1948
Cl. A & B	$10.40	$4.80
Paid	1.00 + 1.00	1.00 + 1.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & gov't. bds.	$41,904,186	$8,671,524
Accts. rec.	8,547,483	19,728,692
Inventories	22,504,815	24,837,442
Total curr. assets	72,956,484	53,237,658
Invest. in subs.	11,623,733	11,623,733
Misc. assets♦	2,560,306	5,447,733
Fixed assets	51,612,519	50,057,350
Total assets	138,753,042	120,366,474
Invent. res.	3,000,000	3,000,000
Accts. pay.	17,104,119	18,193,573
Taxes pay.	7,511,499	3,791,622
Tot. curr. liab.	24,615,618	21,985,195
Deprec. res.	33,419,805	37,179,746
Other reserve	6,077,244	5,500,000
Capital stock	13,379,100	13,379,100
Surplus	53,261,275	39,322,433
♦Incl. ref. EPT	416,363	1,186,664
Working capital	48,340,866	31,252,463

Grain Prices

Chicago Futures

Week to April 10, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Apr. 10
		Wheat—			
2.26⅞	1.19½	May	2.26	2.23½	2.25⅞
2.09	1.84	July	2.07½	2.04	2.07½
2.08½	1.86½	Sept.	2.08½	2.05½	2.08
2.12½	1.88½	Dec.	2.10½	2.07¾	2.10⅞
		Corn—			
1.39½	1.13½	May	1.39½	1.35⅞	1.38⅞
1.39⅝	1.19	July	1.39⅞	1.35⅝	1.39½
1.35	1.17½	Sept.	1.35	1.32⅛	1.34¼
1.27	1.10¾	Dec.	1.27	1.25	1.26⅞
		Oats—			
.78½	.59⅜	May	.78½	.75½	.78½
.73	.56½	July	.73	.66½	.72⅞
.70½	.59¾	Sept.	.70½	.65½	.70
.71	.61½	Dec.	.71	.67⅞	.70⅞
		Rye—			
1.59⅞	1.25⅞	May	1.37	1.33½	1.35
1.52⅞	1.26⅞	July	1.39⅞	1.36⅞	1.37⅞
1.47	1.28½	Sept.	1.41½	1.38½	1.39½
1.45½	1.31⅞	Dec.	1.45½	1.42½	1.43½
		Soybeans—			
		May	2.73⅞	2.61½	2.73
		July	2.69	2.58¾	2.67½
		Nov.	2.08½	2.04	2.07
		Jan.	2.10⅞	2.06⅞	2.09

Chicago Cash

	For Week Apr. 10 High	Low	Prev. Week High	Low
Corn—				
2 Yel.	1.44	1.41½	1.42	1.41½
Oats—				
1 H. Wh.	.88⅞	.84	.83½	.80⅞

Winnipeg Futures

Week to April 10, 1950

Crop year from Aug. 1, 1949 High	Low		High for week	Low for week	Close Apr. 10
		Oats—			
.97½	.69⅞	May	.97½	.94⅞	.96
.87⅞	.72½	July	.87⅞	.86	.87½
.79	.70½	Oct.	.79	.77	.78⅞
		Barley—			
1.45⅞	1.09½	May	1.45½	1.40½	1.42
1.41½	1.09⅞	July	1.33⅞	1.30½	1.32⅞
1.15½	1.01½	Oct.	1.15½	1.11½	1.15½
		Rye—			
1.64	1.40½	May	1.47½	1.40⅞	1.42
1.60⅞	1.36⅞	July	1.48	1.44	1.46
1.48½	1.33½	Oct.	1.48½	1.45½	1.47⅞
		Flax—			
3.79	2.62	May	3.78⅞	3.78½	3.78½
3.79	3.48	July	3.74½	3.74	3.74
3.42	3.27	Oct.	3.41	3.40½	3.41

Winnipeg Cash

	For Week Apr. 10 High	Low	Prev. Week High	Low
Oats—				
2 C. W.	1.06⅞	1.01	1.04⅞	.99½
3 C. W.	1.05⅞	1.00	1.03⅞	.99½
Barley—				
1 Feed	1.45½	1.40½	1.43½	1.37½
2 Feed	1.44⅞	1.39⅞	1.42⅞	1.34
1 Malt	1.80½	1.75⅞	1.78½	1.73½
Rye—				
2 C. W.	1.45	1.41⅞	1.44	1.40⅞
Flax—				
1 C. W.	3.77	3.78½	3.78⅞	3.78½

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Terminal Elevators in Fort William
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Total Storage Capacity 12,000,000 bus.
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THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Montreal and Toronto Winnipeg, Calgary and Vancouver

WEEK ENDING APRIL 6

Range 1950 High	Low	Div. R'te $	Apr. 6 Y'ld %	Company	Sales	Last Mar. 31	Week end. Apr. 6 H	L	Cl'se
29¼	21¼	2.00	6.9	Abitibi	32599	26¾	29¼	26¾	29
23¾	22	1.50	6.4	Do. $1.50 pf.	8459	23¾	23¾	23¼	23¼
25	22¾	1.00+■1.15		Acadia At. A	365	24¼	25	24¾	24¾
105	102¼	5.00	4.8	Do. 5% pref.	75	103¼	103¾	102¼	103¼
13	7	■.50		Acme Glove	380	11¾	12¼	11¾	12¼
9	8¼	.60	6.8	Agnew Surp.	150	9	8¼	8¾	8¾
16¾	13¼			Algoma Steel	42237	14¾	16¾	14¼	16¾
27	26	1.00	3.7	Alum of Can p	1910	26¾	27	26¾	26¾
59	52¾	2.40	4.1	Aluminium, n.	1345	58¾	59	58¼	58¾
16¼	14¼	■1.00		Ang. Nfld.	5625	15¼	16¼	15¼	16
8¾	7	.60	7.2	Argus	1595	8	[illegible]	[illegible]	[illegible]
78	73	4.50	5.9	Do. 4½% pf.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Range 1950 High	Low	Div. R'te $	Apr. 6 Y'ld %	Company	Sales	Last Mar. 31	Week end. Apr. 6 H	L	Cl'se
13¼	13	.50	3.8	Guaranty Trust	120	13	13	13	13
19¾	17¼	1.40	7.3	Gypsum, Lime	1000	18¾	19	18¼	19
12¾	10	■.10		Halifax Insur.	3	12¼	10	10	10
14¼	11¾	.50+†.12½		Ham. Bridge	2328	13¾	13¼	13	13¼
14¼	13¼	†.50		Ham. Cot.	100	14	14¼	14¼	14¼
11	10	.80+■.10		Harding Carpet	85	10	10	10	10
10	10	.50	5.0	Hartz A	100	9¼	10	10	10
36¼	27	■1.00		Hayes Steel	385	34	34¾	34	34¾
18	16¼	1.00	5.8	Hinde & Dauch	125	17¼	17¼	17¼	17¼
4¼	4¼	■.20		Holden Mfg. B	25	4¾	4¼	4¼	4¼
8¾	7¾	.50	5.7	Horner, F. W. p	10	[illegible]	[illegible]	[illegible]	[illegible]

Mining Stocks

Week Ended April 6

Range 1950 High	Low	Div. Rate $	Apr. 6 Yield %	Company	Sales	Last Mar. 31	Week Ending Apr. 6 High	Low	Close
.80	.72			Akaitcho	5,500	.80	.80	.78	.80
.28	.15½			Amal. Lard.	42,567	.19	.28	.18	.23
.65	.50			Amer. Neph.	5,200	.58	.60	.59	[illegible]

Oil Stocks

Range 1950 High	Low	Div.		Company	Sales	Last	High	Low	Close
.49	.25			Ricanfeld	12,000	.03½	.04	.03½	.04
.07	.05			Roxana	5,000	.30	.31	.28	.31
14.50	8.80	†.06½		Royal Can.	13,100	.06	.06½	.05½	.06½
.07	.05½			Royalite	74,400	11.12½	14.50	11.12½	13.87½
.13	.09½	†.01		Share Oils	1,000	.07	.06½	.06½	.06½
.42	.29			So. Brazeau	19,500	.10	.12	.11	.12
.30	.15			So. West Pete.	1,000	.33	.40	.33	.33
.20½	.15	§.01½		Spooner	17,200	.27½	.30	.29	.30
.50	.40			Sunset	2,500	.18	.18½	.18	.18
.50	.24			Superior	38,700	.45	.48	.44	.47
.26	.18			Tower Pet.	25,900	.28½	.33	.29	.30
.40	.20			United Oils	62,570	.19	.26	.18½	.25½
.03½	.03			Vulcan	9,412	.35	.39	.32	.39
.09½	.07			Warner	8,000	.03	.03	.03	.03
				York Oils	2,000	.08	.08	.08	.08

* N. Y. funds. ■ Extra. ▼ Paid or payable in 1949. § Paid in 1948. ‡ Capital Distribution. † Payable in 1950.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Apr. 10	......	......	......	......	......
Apr. 8	......	......	......	......	2,700,000
Apr. 7	......	......	......	......	1,410,000
Apr. 6	575,600	2,882,000	249,618	......	......
Apr. 5	467,500	2,068,000	197,897	237,883	2,620,000
Apr. 4	388,400	2,147,000	248,303	183,710	1,930,000
				210,569	2,580,000

STOCKS NOT TRADED THIS WEEK

	Div. Rate $	Last sale	Apr. 6 Bid	Ask
Grand & Toy	.60	16¼	16	..
Great West Felt	†.30	5¾	5¼	6
Do. pref.	.30	6	5¾	7½
Great West Life	20.00	460	440	..
Gt. West Saddlery	..	11¾	11¼	12
Growers Wine	..	1.80	..	..
Hahn Brass	†.30+4.20	17	16	18

BUSINESS BAROMETERS

	MAR.	FEB.	JAN.	DEC.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dom. total expend.	....	....	....	200.3	170.2
Dom. total rev.	....	....	....	199.6	220.2
MERCHANDISING					
■Dept. store sales (3)	—2	+6	+4	+3	....
Country store sales (3)	....	....	—3.6	—1.7	....
Retail store sales (3)	....	....	+1.7	+2.7	....
Wholesale sales index (1)	....	....	231.8	261.5	243.2
FINANCE					
Dividend payment index (1) (5)	212.1	212.4	213.8	217.8	217.5
Money supply (millions $)	....	....	4,386	4,422	4,162
NEWSPRINT CAPACITY					
Production ratio (7)	....	97.7	97.2	98.4	102.1
RAILWAY FREIGHT LOADINGS					
■Tons (D.B.S.) (1)	....	195.1	178.5	182.8	210.9
■Cars (D.B.S.) (1)	....	157.5	147.2	158.3	161.7
COST OF LIVING					
D.B.S. (1)	163.7	161.6	161.0	161.5	159.2
EMPLOYMENT INDEX					
All industries (6)	....	....	194.2	201.8	196.0
Payrolls (June 1/41=100) (2)	....	....	209.2	224.1	204.1
MANUFACTURING					
Inventories (1947=100)	....	....	126.9	125.1	130.9
Employment (6)	....	....	199.9	204.5	202.7

	1949-50	1948-49	1949-50 Jan. 1 to date	1948-49 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
■Carloadings (week Apr. 1)	72.8	73.5	894.6	944.2	—5.3
C.N.R. gross rev. (Feb.)	36,765	36,901	71,806	74,210	—3.1
C.N.R. net rev. (Feb.)	—1,357	—1,497	—3,921	—2,985	—31.3
C.P.R. gross rev. (Feb.)	26,403	26,900	50,948	54,667	—6.8
C.P.R. net rev. (Feb.)	42.6	—194.2	—1,901.0	—495.3	—284.0
IRON AND STEEL PRODUCTION (000's omitted) (Jan.)					
■Pig iron production (tons)	190	183	190	183	+3.9
■Steel production (tons)	290	264	290	264	+9.9
CONSTRUCTION (000's omitted)					
■Contracts awarded (Mar.)	75,114	67,588	196,581	203,703	—3.5
■Cement prod., bbls. (Jan.)	1,253	1,122	1,253	1,122	+11.7
AGRICULTURE (000's omitted)					
Flour exp., bbls. (Feb.)	742	644	1,675	1,648	+1.7
Wheat exp., bush. (Feb.)	7,879	11,313	18,779	25,138	—33.9
Cattle sales (Feb.) (4)	113.4	94.9	247.5	217.3	+13.9
Hog sales (Feb.)	377.1	302.1	735.5	636.4	+15.6
SEA FISHERIES (000,000's omitted)					
Catch, lb. (Feb.)	121.9	130.6	198.1	167.7	+18.1
Landed value (Feb.)	2.4	2.3	4.6	3.9	+17.9
NEWSPRINT (000's omitted)					
Production (Feb.) (7)	399	407	816	828	—1.4
Exports, tons (Feb.) (7)	377	385	780	795	—1.9
MINING AND OILS (000's omitted)					
Coal prod., (tons) (Feb.)	1,773	1,688	3,522	3,545	—0.7
■Gold prod. (fine oz.) (Jan.)	355	310	355	310	+11.5
Petroleum prod. (bbl.) (Dec.)	1,783	1,248	21,487	12,368	+73.7
ELECTRICAL POWER OUTPUT (000,000 omitted (Jan.)					
Total monthly kw.h.	4,072	3,699	4,072	3,699	+10.1
FOREIGN TRADE (millions of $)					
■Imports (Feb.)	200.2	206.0	412.1	429.8	—4.1
Exports (Feb.)	199.5	205.0	420.6	442.0	—9.7
FINANCE (millions of $)					
Bank debits (Feb.) (8)	6,000	5,976	13,307	12,905	+3.1
Bond sales (Feb.)	586.0	229.5	806.5	399.3	+101.9
■Life insurance sales (Feb.)	99.5	99.2	200.3	205.8	—2.7
OTHER INDUSTRIAL FACTORS					
Shoe prod. (Jan.)	2,509	2,529	2,509	2,529	—9.1
Cigarette cons. (000,000) (Feb.)	1,459	1,183	2,867	2,443	+17.3

(1) Base period 1935-39=100.
(2) All industries.
(3) % change from year ago, latest week or monthly average.
(4) Total at yards and plants.
(5) Nesbitt Thomson, ec.
(6) Base period 1926=100.
(7) Includes Newfoundland.
(8) Includes debits in St. John's, Nfld., since April only.

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal and Intercity Securities Ltd., Toronto)

April 6, 1950

	Bid	Ask
Allens Toronto units	42.00	....
Anglo-Can. Telephone A	10.25	11.00
Ash Temple	4.50	....
Ashdown Hardware B	14.50	....
Beauharnois L. H. & Pwr.	21.50	22.75
Beauharnois Power	10.00	11.25
British Mtge. & Trust	195.00	....
B. C. Sugar	89.00	92.00
Can. General Invest.	17.75	18.50
Can. Gen. Sec. C.	7.0	....
Can. Investment Fund	5.05	5.50
Can. Investors Corp.	11.25	12.00
Can. Motor Lamp	12.25	13.25
Can. Silk products A	23.50	25.00
Can. West Nat. Gas Co.	60.00	....
Do. pfd.	19.25	20.75
Capital Wire Cloth com.	14.25	....
Chase, A. W. units	53.00	56.00
Colonial Steamships com.	125.00	....
Commercial Finance com.	17.00	....
Commercial Life 10% paid	10.75	....
Continental Life 20% paid	45.00	....
Corporate Investors	8.90	9.62
Detroit Intl. Bridge	17.75	19.00
Dover Industries Ltd.	9.25	10.00
Dunlop Tire pfd.	25.00	26.00
Empire Life Ins. 25% paid	17.00	19.00
Galt Brass com.	81.00	....
Goderich Elev. & Trans.	15.25	16.25
Great West Life	445.00	465.00
Guardian Realty pfd.	54.00	....
Husky Oil	5.00	5.75
Imperial Life	345.00	365.00
Lambton Loan $50 par	85.00	90.00
Loblaw Groc. Inc.	23.00	24.00
Manufac. Life Ins.	345.00	365.00
Medical Arts	34.00	40.00
Monarch Life 40% pd.	135.00	142.00
Mountainview Apts. pfd.	28.00	....
Northern Tel. com.	1.60	1.95
Ontario Jockey Club	1,400.00	1,600.00
Peller Brewing com.	12.50	13.75
Do. pfd.	1.25	2.00
Ritchie Cut Stone pfd.	8.25	9.25
Rosedale Golf	135.00	....
Sawyer Massey com.	.75	....
Seiberling Rubber com.	5.00	6.00
Sincennes McNaught. Tugs	2.00	3.00
Sovereign Life 25% paid	50.00	....
Standard Fuel pfd.	35.50	37.50
Do. com.	3.00	5.00
Sun Life Assce.	605.00	620.00
Third Can. Gen. Inv.	4.00	4.40
Toronto General Ins.	6.00	8.00
United Farmers Co-op.	2.00	....
United Steel A pfd.	24.00	25.50
Victoria Trust & Svgs.	143.00	....
Waterloo Manuf. com.	5.75	7.00
Waterloo Trust & Svgs.	124.00	128.00
Western Assurance com.	72.00	....
Western Grain pfd.	23.00	25.00
York Trading com.	10.50	12.00

Stocks Not Traded This Week (Continued)

	Div. Rate $	Last sale	Apr. 6 Bid	Ask
Int. Metal Ind. pf.	4.50	103	102	103¼
Int. Mill. pref.	4.00	103	102	104
Int. Nickel $5 pref.	▲.35	7¼	..	..
Int. Paints pref.	1.20	22	22	..
Int. Pap. pref.	▲4.00	116	115	117
Invest. Found.	†.40	12	12	13
Do. pref.	3.00	51	50¼	53
Jam. Pub. Ser.	1.00	12	11¾	15
Do. pref.	7.00	102	101¼	..
Traders Fin. B	1.50	30¾	28½	31¼
Do. 4½% pref.	4.50	94¼	92¼	94
Do. B rights	1.00	19¼	19¼	20
Tuckett Tob. P.	7.00	172	..	..
Un. Amuse. A	1.00	36	35	..
Do. A V.T.	1.00	35¼	..	40
United Distill.	†1.00	25	..	25
Viceroy	†.20	14	14	15

Mining Stocks

—OIL STOCKS—

	Div.	Last sale	Bid	Ask
West Mal.	...	.04½	..	..
Admiral	...	.03	.03	.04½
Apex	...	.04	.04	.04½
Marvel	...	.01½	.02	.04½
Nordon	...	.14	.10	.15
Petrol Oil	†.02	.18	.16	.20
Royal Crest	...	.04	.04	..
Texas Can.	▲§1.85	.50	.40	.60
Three Point	...	.06	..	..
Turner V.	...	.11	.15	..
Vanalta	...	.22	.22	.24
Vul. Brown	...	.13	.18	..
York Oils	...	.08	.07½	.08

▲Paid or payable in 1949. §Paid in 1948. *N. Y. funds. †Payable in 1950. ‡Capital distribution.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
‡Gurney Fdry. 1st mtge. bds.	4%	1967	May 8	103
‡H. Walker-Good. .. deb.	2¾%	1968	May 1	102½

‡AA o/s.

Government Bonds

Apr. 11, 1950 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951	101⅛	101⅜
3	Mar. 1954	102⅞	103⅛
3	Nov. 1956	103	103⅜
3	May 1957	102¼	102¾
3	Jan. 1959	102⅜	102⅞
3	June 1960	102¼	102¾
3	Feb. 1962	102	102½
1¾	Nov. 1950	99⅞	100⅛
3	Oct. 1963	102	102½
3	Sept. 1966	102	102½
Dom. of Can. Bonds:			
3	June 1958	102¼	102¾
3¼	Feb. 1952	102½	102⅞
3	June 1955	100⅛	100⅝
3¼	June 1966	103½	104
3	Perpetual	†101⅞	101⅞
Dom. Guaranteed Bonds			
Can. Nat. Railways:			
3	Jan. 1959	101⅞	102⅜
4½	Feb. 1956	▪123⅜	125⅛
4½	July 1957	♦126⅛	127⅞
5	Feb. 1954	109	109⅝
4¾	June 1955	▪123⅜	125⅛
2¾	Jan. 1967	98½	99½
2¾	Sept. 1969	99⅛	100⅛
3	Jan. 1966	101⅛	102⅛
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪123⅜	124⅞
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪114⅛	116⅛
4	Jan. 1962	▪125⅛	127⅛

%	Due	Bid	Ask
Provincial Govt. Bonds			
Alberta:			
3½	June 1950/71	100	100½
3½	June 1950/72	♦110	110½
British Columbia:			
4½	Jan. 1969	♦134⅞	136⅞
5	Sept. 1953	106⅛	107⅛
3	Dec. 1960	99⅜	100⅜
3	June 1964	98⅛	100
5	Sept. 1959	♦129⅛	131⅛
B. C. Power Comm.:			
3	Oct. 1967	98⅛	99⅞
Manitoba:			
4	Dec. 1957	♦119⅛	121⅛
4½	Dec. 1956	♦121⅛	123⅛
5	Dec. 1959	▪129	131
5½	July 1958	116⅞	118⅞
3	Oct. 1965	98⅞	100⅛
New Brunswick:			
4½	Apr. 1961	♦122⅞	124⅞
2¾	June 1966	89	91
3½	May 1957	98⅛	100⅛
3½	Sept. 1965	98	100
Nova Scotia:			
3½	June 1956	101⅛	102⅝
4½	Nov. 1960	♦125⅛	127⅛
5	Mar. 1960	♦129	131
3	June 1956/58	99⅞	101⅛
2¾	Sept. 1966	95	97
3½	June 1963/65	101⅛	102⅞

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69	95⅞	97⅞
3½	May 1952/55	101⅛	102⅛
4	June 1962	▪124⅞	126⅞
4½	June 1950	100⅛	101⅛
4½	Jan. 1962	♦129⅛	131⅛
2¾	July 1967/77	94⅛	96⅛
3	Nov. 1963/65	99⅞	101⅜
5	May 1959	▪130⅜	132⅜
Ont. Hydro Commission:			
4	Aug. 1957	▪119⅞	121⅞
2¾	Oct. 1965/68	95⅞	97⅛
3	Dec. 1963/65	100	101
3	Nov. 1967/69	99⅛	100⅛
Prince Edward Island:			
3½	Dec. 1961	101⅛	102⅛
Quebec:			
3½	Mar. 1954/59	103	104
3¾	Feb. 1952/55	102⅞	103⅜
4½	Aug. 1958	108⅛	109⅛
4½	Jan. 1963	114	115⅜
4	Nov. 1950/52	100⅞	101⅜
3	Sept. 1962/64	99⅞	101⅜
Quebec Hydro Commission:			
3	Feb. 1969/73	98⅞	100⅛
3	Dec. 1958/60	100⅛	101⅛
Saskatchewan:			
4	Nov. 1955/60	101⅛	102⅜
5	Aug. 1958	108⅛	110⅛
4½	Mar. 1960	♦120⅛	122⅛
5½	Oct. 1952	104⅛	105⅛
6	Mar. 1952	104⅛	105⅜
5	Dec. 1959	♦123⅛	125⅛
3	Mar. 1963	94⅛	96⅛
3½	Nov. 1960/62	95⅜	97⅛
3½	Oct. 1962/65	101⅛	102⅛

†Callable on or after Sept. 15, 1966. ♦Payable Can. or N. Y. ▪Payable Can., N. Y. or £.

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Power and traction	Banks	Total utilities	Total co's
No. of Securities	10	10	4	5	10	15	10	16	12	8	16	106
*1935 to date:												
High	247.7	287.9	149.7	123.7	221.9	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1950: Monthly Figures:												
Jan.	231.5	286.1	90.7	82.8	235.0	123.7	351.0	169.1	114.7	143.0	124.3	119.0
Feb.	229.9	291.7	86.1	80.5	236.9	123.2	355.8	169.7	116.5	143.0	125.2	118.3
Weekly Figures:												
Mar. 2	239.2	298.2	83.8	79.9	245.2	119.0	358.7	169.2	116.2	142.4	126.0	118.3
Mar. 9	238.7	299.8	83.1	78.6	246.3	118.6	369.7	168.0	121.7	142.6	126.3	117.9
Mar. 16	237.8	301.5	82.8	79.6	240.3	119.1	383.5	168.6	121.3	142.6	126.1	119.2
Mar. 23	244.3	308.0	82.4	80.9	243.1	119.1	379.2	169.6	122.1	142.9	126.2	119.3
Mar. 30	243.7	316.6	83.3	83.9	242.1	119.2	375.9	169.1	121.1	142.8	125.4	119.0

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index / Montreal Stock Exchange Averages

	20 Indust.	20 Golds	15 B.M.	15 W.O.		10 Util.	20 Ind.	20 Con.	15 Pprs.	15 Golds
[illegible]										

Dow-Jones Closing Stock Averages

	20 Indust.	20 Rails	15 Util.	65 Stocks		30 Indust.	20 Rails	15 Util.	65 Stocks
[illegible]									

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

April 11, 1950

Public Utility Issues:	Int. Rate	Due	Bid	Ask	Prev. Week
[illegible]					

*Payable in Canada or United States. ‡Payable in Canada only. †Payable in Canada or U.K. ¶Payable in Canada, U. S. or U. K.

Unlisted Mines, Oils

(By the Broker-Dealer Assoc. of Ontario)

	Bid	Ask		Bid	Ask
[illegible]					

Company Meetings

1950	Company	Place
[illegible]		

Commodities

	Latest week	Previous week	Same week last yr.
[illegible]			

Weekly Indices

Monthly Indices

[illegible]			

Note: The base of indices is that 1926 equals 100. ‡Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Municipal Bonds

Apr. 11, 1950

	Coup.	Matur.	Bid	Ask	Yld.
[illegible]					

Market Comment

What stocks and bonds are doing and what prominent observers say

For over a month now technical market factors have been inconclusive as to near-term trend. Volume accompanying rises has been pretty well matched by volume on the downside. Many commentators hold that the fact that the market has been able to work into higher ground in the face of recurrent short, sharp selling waves (tape has run late on two occasions in last several weeks with heavy volume of liquidation) is a strongly bullish implication in itself. It would indicate that the market has been correcting itself all the way up, absorbing the profit-taking and pushing on to new height with a gradually strengthening investment following.

Western oils pushed into new high ground this week sparked by sharply increased U. S. buying, particularly in Imperial Oil. In the last four weeks the Toronto Stock Exchange western oil index jumped over 23%. This in itself should be a rather cautioning note to anyone contemplating added commitments in this group at these prices. Current buying has been largely speculative and along with extensive profit positions represents large potential selling pressure in event of sizeable price correction. Of considerable significance is the announcement of Imperial Oil's taking up two million acres of land in Northern Alberta beyond the limits of current exploration. The company's geologists consider the northern extension potential oil-bearing ground and have apparently advised an active exploratory program.

* * *

GOODWIN HARRIS & CO. (Toronto)

We have, for some time, stressed the fact that our junior gold mines were working themselves into a very favorable position financially by reason of increased production, availability of labor and some slight decreases in costs. The betterment of the labor situation has to a great extent been responsible for the increase in speculative interest as it has enabled most of these mines to go ahead with large scale exploration programs and results such as those obtained by MacLeod Cockshutt, Upper Canada, East Sullivan, etc. have been largely responsible for the flood of money available for new financing for resumption of development work on some of the better located properties.

In connection with financial results we think that a few of the earnings reports which are to hand at this point make very interesting reading. For example: Teck Hughes earned 24c in 1949 as against 13c in 1948; McKenzie Red Lake earned 5c as against a deficit in 1948; Noranda $5.68 in 1949 ($4.45); Leitch 9.2c (8.6c); Hallnor 33c (29c); Lake Shore 84c (60c); Kerr Addison 83.5c (43.6c); Macassa 15c (9c); MacLeod Cockshutt 2c as against a deficit of 4c in 1948; Aunor 31c (20c).

* * *

ROSS WHITTALL LTD. (Vancouver)

In view of the generally favorable outlook—of the fact that many weak holders must have been jettisoned in recent months and that there is absolutely no reason for prices to come down simply because they have previously gone up, we think that a setback is not very likely unless bear covering results in a too precipitate rise. We are thus not impressed with the technical arguments and would not consider disturbing any holdings of good stocks, which we think are bound for much higher levels, unless as suggested the market should "run away" to absurd heights, which is not impossible.

* * *

Dividends Declared

	This payment $	Date payable	Date of record
Alta. Pac. Cons. Oils	.02	June 10	May 10
Aluminum Co. pfd.	.25	Jun. 1	May 3
Anglo-Can. Tel. pfd.	.56¼	May 1	Apr. 11
Argus Corp.	.15	June 1	Apr. 28
Do. pfd.	1.12½	June 1	Apr. 28
Ault & Wiborg	1.37½	May 1	Apr. 14
Aunor G. M.	.06	June 1	May 10
Bk. of Nova Scotia	.35	May 1	Mar. 31
[illegible]			

Record of Financing

Sales by Municipalities, Provincial and Dominion Government. Offerings of Corporation and Foreign Securities

DOMINION

Government of Canada Treasury Bills—Due June 23, 1950, $75,000,000. Issued Mar. 23, 1950. Sold at $99.87245 to yield .512%.

PROVINCIAL

Stanley Regional School District (guaranteed by Province of New Brunswick)—3½% debentures, due Apr. 1, 1951-65, $270,000. Issued Mar. 23, 1950. Bought privately by Dominion Securities Corpn. Ltd., A. E. Ames & Co. Ltd., Wood, Gundy & Co. Ltd., Eastern Securities Co. Ltd. and Geo. Brown & Co. Ltd.

MUNICIPAL

Town of Lunenburg, N.S. — 3% debentures, due Apr. 1, 1951-59, $18,000. Issued Mar. 23, 1950. Sold at $101.12 to J. C. Mackintosh & Co. Ltd.

Village of Marmora, Ont.—3½% debentures, due Apr. 4, 1951-60, $18,000. Issued Mar. 23, 1950. Sold at $101.52 to J. L. Graham & Co. Ltd. and Bankers Bond Corpn. Ltd.

Catholic School Commission of Town of St. Laurent, Que.—3% and 3½% debentures, due Apr. 1, 1951-60-70, $325,000. Issued Mar. 28, 1950. Sold at $99.28 to Rene-T. Leclerc Inc.

Town of Port-Alfred, Que.—2¾%, 3% and 3¼% debentures, due Feb. 1, 1951-55-60-65, $125,000. Issued Mar. 29, 1950. Sold at $98.03 to Mills, Spence & Co. Ltd.

Twp. of Scarborough, Ont.—3½% debentures, due Mar. 1, 1951-70, $477,506. Issued Apr. 3, 1950. Sold at $98.581 to W. C. Harris & Co., Burns Bros. & Denton Ltd. and Dudley Dawson & Co. Ltd.

CORPORATE

Calvan Petroleums Ltd.—5% convertible sinking fund debentures, series A, due Mar. 1, 1966, $1,500,000, dated Mar. 1, 1950. Offered at $100 and accrued interest to yield 5% by McLeod, Young, Weir & Co. Ltd.

Canadian Western Natural Gas Co. — 3½% first mortgage sinking fund bonds, series A, due Apr. 1, 1971, $8,000,000, dated Apr. 1, 1950. Offered at $100 and accrued interest by Wood, Gundy & Co. Ltd., Nesbitt, Thomson & Co. Ltd. and James Richardson & Sons, Tanner & Co. Ltd., Osler, Hammond & Nanton Ltd., Midland Securities Ltd., Carlile & McCarthy Ltd. and Milner, Ross & Co.

Canadian Pacific Railway Company — 3⅛% conv. coll. tr. bonds, due Apr. 1, 1970, $20,000,000. Issued Mar. 29, 1950. Offered at $98.75 by a large group of dealers headed by A. E. Ames & Co. Ltd. and Wood, Gundy & Co. Ltd.

Industrial Acceptance Corporation Limited—3¼% secured notes series F, due Apr. 1, 1957, $10,000,000. Issued Mar. 29, 1950. Offered at $100 by Greenshields & Co. Inc. and Wood, Gundy & Co. Ltd.

South Shore Lumber and Builders Supplies Ltd.—5%, 5½% and 6% first mortgage notes, due Feb. 1, 1951-65, $350,000, dated Feb. 1, 1950. Offered at $100 plus accrued interest by P. F. Letourneau Inc.

PREFERRED

Union Acceptance Corp. — 40,635, 60c cumulative redeemable sinking fund preference shares (par value $9). Offered at $10 per share to yield 6%, including four common shares with each ten preference shares, by Bankers Bond Corp. Ltd.

COMMON

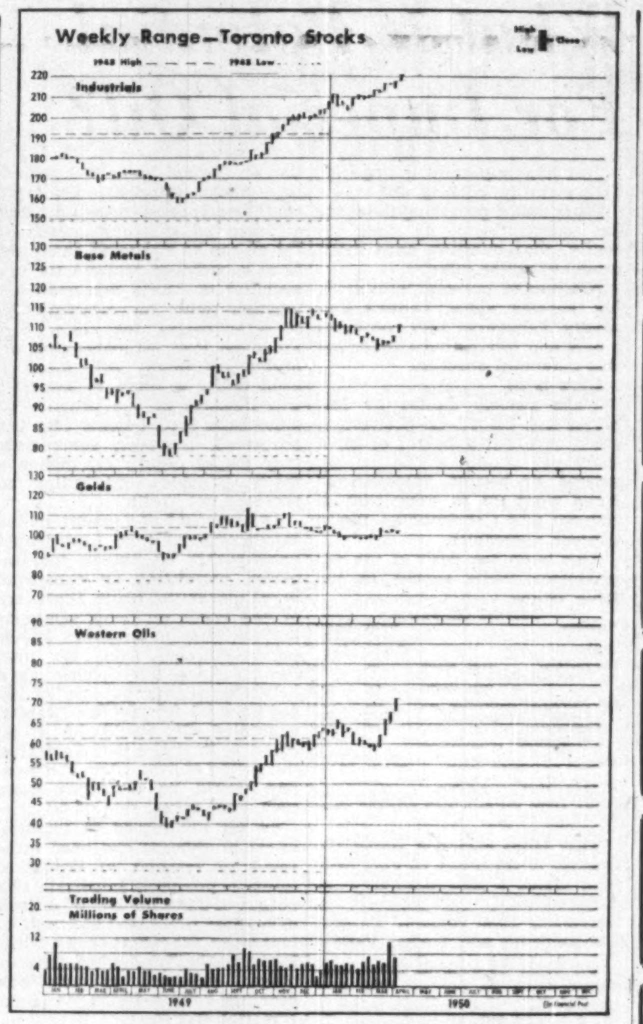
Mount Royal Metal Company Limited — 75,000 common shares (no par value). Offered at $10 per share by Royal Securities Corp.

Milk-O-Mat International Ltd. — 500,000 common shares (par value $1.00). Offered at $2.00 per share by H. B. Gilbert & Co. Ltd.

Dividends Declared (con't.)

	This payment $	Date payable	Date of record
Do.	.40	Sep. 1	Aug. 15
Do.	.40	Dec. 1	Nov. 15
Reitman's pfd.	.25	May 1	Apr. 15
Renold Cov	.28+.05	July 3	June 15
Do.	.27+.05	Oct. 2	Sep. 16
Robinson Cot.	10	May 1	Apr. 1
St. Law. Corp. 1st pf.	.50	Apr. 25	Apr. 4
Do. 2nd pfd.	.18¾	Apr. 25	Apr. 4
St. Law. Flour	.40	May 1	Mar. 3
Do. pfd.	1.75	May 1	Mar. 3
St. Law. Pap. 1st pf.	1.50	Apr. 25	Apr. 4
Do. pfc.	.60	Apr. 25	Apr. 4
Saguenay Pwr.	1.06	July 1	June 7
San Antonio	.07	Apr. 15	Mar. 15
Scarfe & Co. A	20	May 1	Apr. 15
Do. B	.10	May 1	Apr. 15
Shawinigan W. & P.	.30	May 25	Apr. 15
Sheep Creek M.	.02	Apr. 15	Mar. 31
Sherwin-Williams	.25	May 1	Apr. 10
Shirriff's A	.06	May 1	Apr. 14
Do. pfd. 5%	.25	May 1	Apr. 14
Sidney Roof. A	.22½	May 1	Apr. 15
Silver Miller M.	*.05	Apr. 29	Apr. 1
N. Slater	.45	May 1	Apr. 8
Do. pfd.	.53	Apr. 15	Apr. 3
So. Can. Pwr.	.35	May 15	Apr. 20
Do. pfd.	1.50	Apr. 15	Mar. 20
Stadacona M.	.03	Apr. 15	Mar. 25
Stand. Fuel pfd.	.56¼	May 1	Apr. 14
Stan. Brock A	.15	May 1	Apr. 10
Do. B	.10	May 1	Apr. 10
Steel of Can. N.	.20	May 1	Apr. 6
Do. pfd. N.	.20	May 1	Apr. 6
Stowell Screw A	.75	June 1	Apr. 30
Sullivan Cons.	.10	May 26	Apr. 26
Tay.-Pear. & Car.	20	July 3	Mar. 1
Teck-Hughes	.05	June 1	Apr. 19
Traders Bldg.	.25	Apr. 15	Apr. 6
Tuckett Tob.	1.75	Apr. 15	Mar. 31
Union Gas	.12½	May 1	Apr. 6
United Corp. A	.37	May 15	Apr. 15
United Steel pfd.	.75	May 1	Apr. 14
Waterous Ltd.	.10	Apr. 17	Mar. 31
Do. A	.20	Mar. 15	Apr. 28
West. Can. Brew.	.25	June 1	Apr. 29
Do.	.25	Sept. 1	July 31
West. Grocers A	.50	Apr. 15	Mar. 15
Do. pfd.	.35	Apr. 15	Mar. 15
Westminster Pap. A	.12½	Apr. 29	Apr. 8
Do. B	.02½	Apr. 29	Apr. 8
Willson Stat. pfd.	1.25	Apr. 15	Mar. 31
Wood, Alex. & Jas.	1.75	May 1	Apr. 15
Zeller's N.	.12½	May 1	Apr. 7
Do. 5% pfd.	.31¼	May 1	Apr. 7
Do. 6% pfd.	.37½	May 1	Apr. 7

†American funds. *Initial. ‡Extra.



New Highs and Lows

During the week ended April 8, 91 new highs were recorded among the general stocks on Canadian stock exchanges and 26 new lows. In the mining group there were 81 new highs and 15 new lows. In the western oil group there were 12 new highs and one new low.

GENERAL

New Highs—1950

Abitibi; Do. $1.50 pf.; Algoma Steel com.; Anglo Nfld. Dev.; Asbestos Corp.; Bank of Montreal; Bank of N. Scotia; Bell Telephone; Brantford Cord. B; Brantford Roof.; B. A. Bank Note; B. C. Packers B; B. C. Power A; Do. B; Canada Foils; Can. Perm. Mtge.; Canada S/S com.; Canada Vinegars; Can. W. & Cable B; Candn. Fairbanks; Can. Ind. Alco. A; Candn. Industries; Candn. Marconi; C. Pr. & Pa. In.; Do. pref.; Candn. Vickers; Catelli Food com.; Cons. Diver. Sec. A; Cons. Litho.; Cons. Paper; Consumers Glass; Corr. Paper Box c.; Craig Bit com.; Crain, R. L., Ltd.; Crown Trust; Dom. Coal; Dom. Dairies com.; Dom. Fabric com.; Dom. Magnesium; Dom. Stores; D'nell & Mudge A; Economic Invest.; Eddy Paper; Electrolux; Fraser Cos.; Gatineau Pwr.; General Prod. A; G'dyear Tire 4% pf.; Gt. Lakes Pap. c.; Do. pref. A; H. Smith Paper; Hydro-Electric; Imperial Oil; Ind. Accep. $1.60 p.; Int. Metal; Int. Nickel pf.; Inter. Power com.; Inter. Utilities; Lawson Jones B; Loblaw B; MacMillan B; Robt. Mitchell; Mod. Containers c.; Monarch L. 40% pd; Montreal Trams.; N. S. Lt. & Pr. pf.; Nuclear Ent.; Paul S. S.; Powell River; Power Corp.; Pressed Metals; Price Bros.; Robinson Little; Rolland pref.; St. Law. Corp. 1 pf.; Do. 2nd pref.; St. Law. Pap. 2 pf.; Sicks' Brew.; Silverw'ds W. D. p.; Southam; South. Invest; Std. Chem.; Do. pref.; Std. Paving; Std. Radio; Taylor Pearson pf.; Toronto Iron A; United Amuse. B; United Secs.; Viau rts.; Winnipeg Elect.

New Lows—1950

Bickle Seagrave; Brantford Cord. A; Can. Canners; Do. 2nd pref.; Can. Collieries; Candn. Convert. A; Crows N. Pass Coal; Davis Leather A; Dom. Square; Federal Grain pf.; Flash Fasteners; Gordon MacKay; Halifax Insurance; J. A. Lang; Laura Secord; London Hosiery A; Marit. Tele.; A. Morgan pref.; National Brew. c.; National Hos. A; Nuclear Ent.; Ogilvie Flour pf.; Simpsons pf.; Western Grocer; J. C. Wilson; York Knit. B

MINING

New Highs—1950

Amalg. Larder; Ascot Mines; Athona '37; Atlas Yellowknife; Aunor; Barnat; Barymin; Bevcourt; Bonetal; Bralorne; Brewis Red Lake; Broulan Porc.; Buffalo Red Lake; Calder Bousquet; Centremaque; Citralam Mal.; Congress; Cons. Ansley; Cons. Beattie; Cons. Howey; D'Aragon; Detta Red Lake; East Amphibian; East Malartic; East Sullivan; El-Pen-Rey; Federal Kirk.; Giant Yellowknife; Goldora; Goodfish; Grandora; Gwillim Lake; Halliwell Gold; Headway R. L.; Heath Gold; Hugh Malartic; Indian Lake; Jack Lake; Jaculet; Joburke; Kay Rand; Keyboycon; Lake Fortune; Lake Rowan; Lamaque Gold; Lingside; Lynx Yellowknife; Malartic Gold; Marcus Gold; Do. rts.; Martin McNeely; Moneta; New Alger; New Goldvue; Nib Yellowknife; Nicholson; Norseman; Omega; Orenada; Paramaque; Pickle Crow; Quatsino; Red Crest; Regcourt; Roche Long Lac; Silver Standard; Sladen Malartic; Star Lake; Sudbury Contact; Sullivan Cons.; Surf Inlet; Teck-Hughes; Tiblemont; Union Mining; Upper Canada; Vanada '48; Vinray; Western Ashley; Winchester; Yellorex; Yellowknife Bear

New Lows—1950

Berens River; Bulolo Gold; Cons. Lebel; Dickstone Copper; Falconbridge; Graham Bousquet; Guayana; Gunnar Gold; Newlund; Packsack; Prospectors; Quesabe; Roybar; Torbrit; Yale Lead

OILS

New Highs—1950

Alta. Pac. Cons.; Anglo-Canadian; Atlantic; Federated Pet.; Hargal; Home; Leduc West; Lowery; McDougall-Segur; National Pet.; Polaris; Royalite

New Lows—1950

Decalta

Investment Trust

	Bid	Ask.
Affiliated Funds	4.27	4.62
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	5.10	5.55
Can. Invest. Corp.	11.25	12.00
Corporate Invest.	8.90	9.62
Commonwealth Int.	3.79	4.16
Trans-Canada	14.80	....
Do. B	....	15.35
Leverage Fund	2.73	3.00

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

POWELL RIVER CO. reports a 4% increase in consolidated net profit for 1949, up from $6,857,297 in 1948 to $7,128,585.

Newsprint production hit an all-time high, while unbleached sulphite pulp and laminated products were down. Newsprint sales rose from 244,834 tons to 283,347; unbleached sulphite fell from 48,937 tons to 33,591; laminated products were down to 1,503 tons from 2,018. President H. S. Foley reports that the entire estimated tonnage of newsprint for 1950 has been sold under long term contracts and that, although sulphite pulp sales in 1949 were curtailed due to market conditions, the outlook for this year is that the full production will be sold.

A major new logging operation, which will produce annually 50 million ft. of logs, has been opened up in the Queen Charlotte Islands. Expenditures on this, along with capital outlays on other logging operations totaled about $1,028,000 in 1949. Policy of maintaining adequate timber reserves was continued through acquisition of several small tracts and the outright purchase of timber on which the company formerly only had cutting rights.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$16,197,318	13,743,548
Less:		
Depr. & depl.	2,407,713	2,168,219
Conting. res.	550,000	450,000
Bad debts res.	250,000	......
Pens. plan ext.	500,000	......
Income tax	5,371,000	4,324,000
Add: Asset sale	9,980	55,968
Net profit	7,128,585	6,857,297
Less: Divds.	4,773,667	3,697,911
Surplus for year	2,354,918	3,150,386
Earnings per Share and Dividend Record:		
Ordinary	$5.30	$5.10
Paid	2.00+1.55	1.60+1.15

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Govt. bds.	$9,599,847	$3,983,035
Accts. rec.	2,919,614	3,922,079
Tax recov.	......	71,270
Inventories§	4,696,076	4,529,640
Total curr. assets	17,215,537	12,506,024
Misc. assets▲	448,280	551,404
Fixed assets, cost	43,086,358	42,717,357
Timber hold., cost*	4,146,595	4,139,691
Total assets	64,896,770	59,914,476
Accts., etc., pay.	1,988,272	1,878,704
Tax pay.	3,235,845	2,742,150
Total curr. liab.	5,224,117	4,620,854
Conting. res.	1,000,000	450,000
Res. dep. fix. assets	29,517,513	28,304,182
Insurance res.	136,997	116,920
Capital stock	7,396,025	7,396,025
Earned surplus	21,622,118	19,026,495
▲Incl. ref. EPT	......	37,595
Working capital	11,991,420	7,885,170

*After depletion. §After res. of $541,446.

MERCURY MILLS LTD., Hamilton, Ont., reports a consolidated 1949 net profit of $137,023, off 73.7% from $520,770 in 1948. Export markets, except for the highly competitive U. S. market, are virtually closed to Canadian textiles, states President J. A. Roberts, and this, coupled with excess capacity in the Canadian industry and increasing foreign competition, has had a depressing effect on sales. In addition, the U. S. import quota was increased 10% and further increases are seen likely.

Devaluation, besides boosting prices of many raw materials bought in the U. S., did not bring the expected drop in wool prices. Instead, world wool prices pushed upward until they are now at their highest point since 1920. Profit margins have been cut to try to meet the prices of the increasing volume of British textiles. Even more strenuous foreign competition is looked for this year.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Net earnings	$386,763	$976,206
Less: Depreciation	109,990	81,697
Bond interest	47,750	44,506
Inc. tax. res.	92,000	329,233
Net profit	137,023	520,770
Less: Divds.	170,127	160,635
Pension prov.	......	40,000
Invent. conting., etc., prov.	......	160,089
Surplus for year	▪33,104	160,046
▪Deficit.		
Times Bond Interest Earned:		
Before deprec.	8.10	21.93
After deprec.	5.80	20.10
Earnings per Share and Dividend Record:		
Common	$0.48	$1.84
Paid (new)	0.60	0.15
Paid (old*)	....	1.00+0.25

*Before 3-for-1 stock split Dec. 23, 1948.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$4,565	$149,004
Accts. rec.	521,183	682,952
Inventories	2,017,979	1,776,889
Total curr. assets	2,543,727	2,608,845
Prep. fire ins., etc.§	22,916	22,625
Refund. EPT	30,476	52,194
Fixed assets*	1,828,845	1,682,391
Total assets	4,425,964	4,366,055
Bank loan	465,000	......
Accts., etc., pay.	307,725	407,228
Taxes pay.	27,534	216,672
Bonds due	75,000	75,000
Total curr. liab.	875,259	698,900
Pension fund	125,000	125,000
Funded debt	1,100,000	1,175,000
Capital stock	1,128,167	1,128,167
Capital surplus	106,784	106,212
Earned surplus	1,090,754	1,132,776
*After deprec. of	2,105,069	2,115,883
Working capital	1,668,468	1,909,945

§Incl. in curr. assets in co's report.

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COMPANY REPORTS

SICKS BREWERIES LTD. consolidated 1949 net profit of $2,379,634 is up slightly from $2,376,482 in 1948. Dollar sales volume was 1.8% higher, while barrels of beer sold rose 1.2%.

Capital expenditures amounted to $331,889 and, after writing off obsolete equipment, increased fixed assets by $268,633. In addition to the main expansion in Vancouver, report Chairman E. G. Sick and President G. R. Whitmore, directors have authorized building and equipping a new storage cellar at the Regina plant and in Lethbridge, steel tanks are replacing obsolete wooden storage tanks. Construction of the new brewery in Vancouver will probably start in the next few months, it is reported.

Annual meeting is April 26.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31.	1949	1948
Net earnings	$4,159,246	$3,896,184
Less: Deprec.	254,806	191,539
Income tax	1,524,806	1,328,163
Net profit	2,379,634	2,376,482
Less: Com. divds.	1,190,000	1,190,000
Surplus for year	1,189,634	1,186,482
Earnings per Share and Dividend Record:		
Common	$2.50	$2.50
Paid	1.00+0.25	0.95+0.30

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$3,768,417	$3,135,561
Accts. rec.	1,287,420	44,884
Life ins. c.s.v.	173,200	222,348
Inventories	1,446,608	1,458,383
Total curr. assets	6,675,645	4,861,176
Invests	1,381,861	1,447,740
Misc. assets▲	718,333	701,395
Fixed assets	5,583,058	5,314,424
Total assets	14,358,897	12,324,735
Accts. pay.	126,042	141,363
Taxes pay.	885,998	244,120
Total curr. liab.	1,012,040	385,483
Bldg. approp.	1,000,000	1,000,000
Deprec. res.	2,961,325	2,765,902
Other res., etc.	527,036	506,536
Capital stock	2,145,293	2,145,293
Surplus	6,713,203	5,521,521
▲Incl. ref. EPT	545,497	647,813
Working capital	5,663,605	4,475,693

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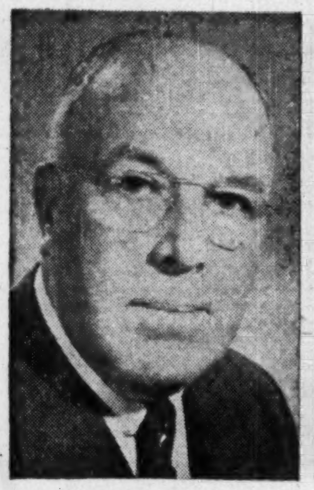


W. H. BUSBY

C. W. H. ROUTLEY, C.A.

At a recent meeting of the Board of Directors of Stanley Brock Limited, W. H. Busby was elected a Vice-President and C. W. H. Routley was elected Treasurer. Other officers re-elected were:—Stanley Brock, Chairman of the Board; J. Fred Keyes, President and General Manager; W. Cochrane, Vice-President and D. A. Thompson, Secretary. *

What Is Potential For Imperial Oil?

Just how important is Imperial Oil's stake in Alberta oil?

With "IMO" providing the market action of a penny stock recently, that question once more provokes major interest.

Analysis of Imperial well drilling success since Leduc's discovery February, 1947, provides a new and interesting answer for this perennial question.

Here it is:

Wells already drilled by Imperial and placed on production could turn out a barrel of oil a share per annum if the market existed to permit operation of wells right up to Petroleum & Natural Gas Conservation Board current allowables.

This is on the basis of the 404 producing wells shown in the table below.

Imperial Oil Output

Number of Wells		Daily quota bbl.	Daily allow. bbl.
255 Leduc-Woodbend	D2 wells	50	75
	D3 wells	70	115
142 Redwater-Simmons ...		65	325
3 Golden Spike		200	400
2 Excelsior		60	100
2 Whitemud		50	75
Total estimated daily...		26,625	74,414

Note—No allowables established for Golden Spike, Excelsior; conservative figure taken for estimated efficient daily output per well.

This table excludes Imperial's interest in farmouts, 63 Fort Norman wells, a new discovery at Normandville, oil interests at Barrhead, Bon Accord, Bantry, Lloydminster and Turner Valley.

On basis of rate of successful completions so far in 1950 and availability of excellent acreage for future drilling, particularly in the Redwater-Simmons area, 250 further successful wells can be forecast as a "good possibility" by the spring of 1951 when the new oil pipeline will be full and Alberta oil starts tapping eastern markets. If all these expected future wells were drilled in the Redwater-Simmons area with its current allowables of 325 bbl. daily, potential for oil production could be doubled in the single year. Present developed potential for the wells given in the table is placed at 74,400 bbl., could be lifted to 150,000 bbl. in a year's time. Because of its large area of favorable ground in the Redwater-Simmons area and the need to keep up with offset well commitments in this area, Imperial will more than likely complete the bulk of its wells in this field, barring discovery of any great new field.

What would a doubling of potential mean to Imperial?

Two barrels of oil a share per annum would be a huge revenue producer for Imperial Oil with its 88c 1949 net even allowing for a drop in well head price to $2.25 or $2.50 a barrel, after the pipeline becomes operative. But Imperial does not expect nearly the revenue these figures might suggest on surface. Here are some of the main reasons:

1. Unless there is a definite decision to expand pipeline capacity, Imperial may be lucky to market only half the oil which could be efficiently produced each day.

2. An oil royalty of 12.5% must be paid to the Crown or private holders on all oil produced.

3. Amortization of development and exploratory costs mean a big hole in the oil dollar aside entirely from well operating and production costs.

When it is realized that the tax gatherer steps in to reap about 27% of oil profits dollars (allowing for depletion), it can be seen that a conceivable maximum oil gross revenue of $5.00 a share comes down to but a small fraction on the net basis. But assuming that Imperial enjoys continued success in well drilling as projected, that only a part of the oil can be marketed, that only $2.25 a barrel is realized for oil, royalties of 12.5% are deducted together with an arbitrary 85 cents a barrel for costs, The Financial Post estimates that oil production might still mean a good dollar a share to Imperial Oil. Because of the practice of amortizing costs quickly (for tax purposes), however, some time may elapse before oil makes a really sizeable contribution to reported net profit.

Enlargement of capacity of the Interprovincial Pipe Line would undoubtedly be bullish for Imperial, permitting an expansion in oil marketing plans. Discovery of new crude oil fields would be bullish from a longterm standpoint although from the near term, great new oil riches could be embarrassing because of requirements for further capital generated. It would be a lot easier to finance a new field after the spring of 1951 when the pipeline would be providing more cash from actual sale of oil.

So far the record of Imperial in oil production has been quite small in relation to the great future in prospect. Imperial's 1949 output of 8,599,157 bbl. of oil was over three times that of the previous year; but it was only a "drop in the bucket" compared with oil output expected to put new earnings behind 27,133,843 issued Imperial shares.

Jaculet Cuts Gold Values

Values Up to $42.70 Over 2.5 ft. Returned In First 10 Holes

Values of commercial interest in both gold and copper have been secured in the current program of diamond drilling on the Chibougamau property of Jaculet Mines, President T. J. Day reports. Ten drill holes have been completed and the possibility of a large zone extending across the company's property is foreseen.

H. E. Corbett, the company's engineer, outlines results secured up to date as follows:

"In hole No. 4 an important fault was located and a zone of mineralization intersected of which 10 ft. gave overall values in gold and copper of approximately $10. Hole No. 10 located to cut below hole No. 4 then cut 25 ft. of mineralization of which 8¼ ft. returned 0.435 oz. gold, 0.62 silver, and 1.65% copper, giving overall values of $22.25. Hole No. 12 is now going down to intersect 150 ft. below hole No. 10. Two drills are being used in this vicinity.

"Nine hundred feet east of these two drills, hole No. 11 has intersected more than 300 ft. of almost continuous mineralization which has been only partially logged, sampled and assayed. Among the last samples taken, a 2½-ft. section running 1.22 oz. ($42.70) in gold and 1.05% copper was encountered."

Drilling through the ice is expected to continue for about three weeks. A large land area will be drilled in the summer, Mr. Day reports.

WESTERN ASHLEY MINERALS reports that by agreement dated March 31, Carmen & Co. of Montreal underwrote 500,000 shares at 10c. a share and optioned 600,000 shares at 15c. to 25c. a share. Upon issue of underwritten shares, issued capital will be 1.5 million shares, leaving 2.5 million in the treasury.

NEW THURBOIS MINES announces existing option on 400,000 shares at 10c. to 20c. a share, under agreement with Robert Slutzky, has been cancelled. By new agreement with Mr. Slutzky, 150,000 shares have been underwritten at 10c. a share and an option granted on 300,000 shares at 10c. to 20c. a share.

FALCONBRIDGE NICKEL MINES discloses that another 200 shares have been taken up at $3 a share, part of option on 25,000 shares at the same price granted to certain employees. Issued capital is 3,370,307 shares, leaving 1,629,693 in treasury.

Aunor to Explore At New Horizon

Since the beginning of the year, Aunor Gold Mines has been able to deepen its shaft 200 ft. to the 3,000-ft. horizon and driving some 3,800 ft. to the west boundary at the 2,900-ft. level is planned as soon as the shaft reaches its objective of 3,073 ft., President J. Y. Murdoch informed shareholders at the company's annual meeting.

It is expected that the lower portion of the westerly ore zone will be ready for mining late in 1952. The preparatory period is expected to see an increase in operating costs of approximately $1 a ton over ordinary costs.

Quoted marketable securities were worth $1,836,000 or over 90 cents a share, Mr. Murdoch indicated, with $1,546,637 cost value representing government bonds, balance including 2,000 Noranda, 2,000 B.A. Oil preferred, 5,000 Kerr-Addison and 500 Atlas Steels.

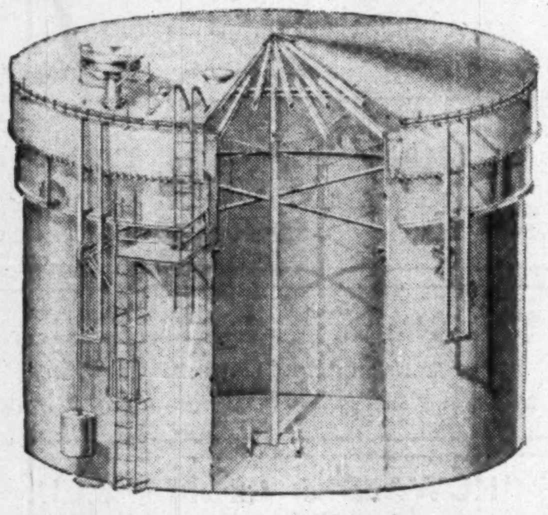
Earnings for the first quarter were 8 cents a share with a dividend of 6 cents a share declared payable June 1 to shareholders of record May 10.

Cominco Completes New Power Plant

A third 27,200 kw power unit was recently placed in operation at the Brilliant power plant of Consolidated Mining & Smelting Co. at an estimated cost of $1,250,000.

The new unit will be used to produce additional energy when water conditions permit and also will act as a spare for any of the existing units.

Cominco's plants at Trail, B.C., use as much power as the City of Toronto. Total rated generator capacity at Brilliant is now 81,600 kw and the total rated capacity of four Cominco plants on the Kootenay River is 224,500 kw.



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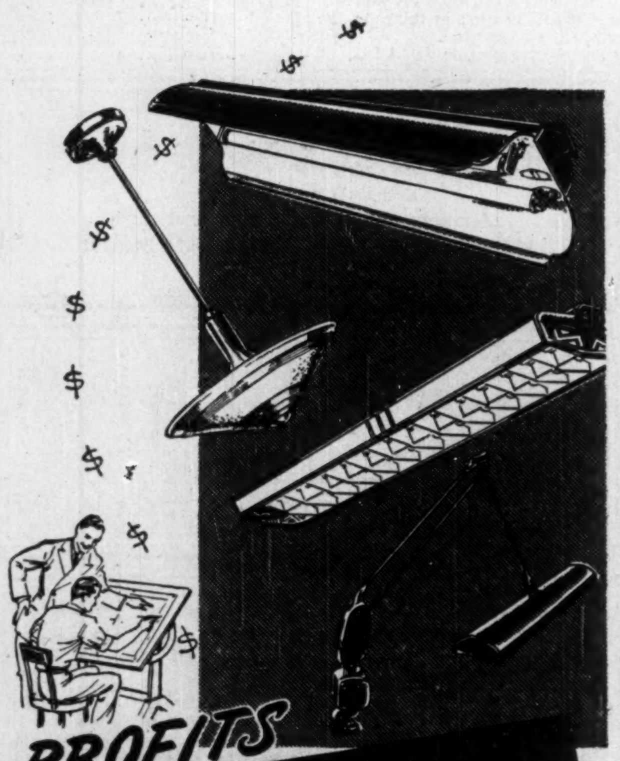

PROFITS from PLANNED LIGHTING

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Anaconda CO-OPERATES WITH INDUSTRY

A few of the scores of different products utilizing Anaconda brass and copper

(Photographs courtesy United-Carr Fastener Company of Canada Limited)

Sturdy cases for reliable combination locks like these are made of brass supplied by Anaconda.

Copper and its alloys...

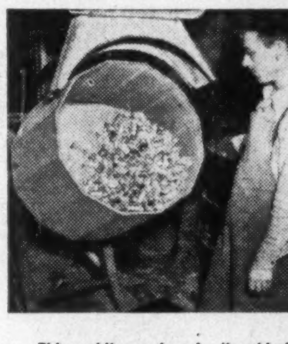
the answer to many industrial problems

From a modest beginning twenty-eight years ago, United-Carr Fastener Company of Canada Limited has grown into one of the country's largest manufacturers of specialty items.

Originally the plant's entire output was limited to dome fasteners for automobile side curtains. Now, modern assembly lines annually turn out millions of fasteners for diversified purposes. In addition, thousands of parts are supplied for 2500 different products. And in countless cases, the metals employed are Anaconda Copper and its alloys.

As in many other large and small industries from coast to coast, the United-Carr Fastener Company employs Anaconda Copper and Brass because of their malleability, tensile strength and corrosion resistance. This unique combination of characteristics has provided the answer to many industrial problems. Perhaps it can help you, too. Write Anaconda American Brass Limited, Main Office and Plant: New Toronto, Ontario; Montreal Office: 939 Dominion Square Building. Since 1922 Headquarters in Canada for Copper and Brass.

ANACONDA Copper and Brass



This oblique barrel "rumbles" copper socket shells in hardwood sawdust to brighten them, and remove the burrs.

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OIL PRODUCTION

Royalite & Triad Chalk Up Five Wells, Drill 4 More

From Our Own Correspondent

CALGARY — Royalite Oil Co. and Triad Leases have extended their string of successful wells in the Redwater-Simmons area to five with two more fine completions.

Latest winners are Royalite-Triad 7-1, LSD 7, Section 1, Twp. 57-21-w4 which has about 114 ft. of D3 zone above the water line and Royalite-Triad 12-36, LSD 12, Section 36, Twp. 56-21-w4, with 164 ft. above the water. Initial potential of the first well was 2,076 bbl. daily while the second showed a potential of 1,992 bbl. daily.

Thickness of the D3 above the water line in three initial wells ranged from 140 to 168 ft.

The rig from the 12-36 success has been moved to the Royalite-Triad 14-36 location with well now drilling at 605 ft.

Royalite-Triad 5-36 is drilling at 3,097 ft., Royalite-Triad 11-36 at 3,099 ft., with both expected to complete shortly. Rig has been moved from the Royalite-Triad 7-1 location to Royalite-Triad 2-1.

Drilling of all 12 Royalite-Triad well sites is expected to be completed by the end of May.

* * *

Imperial Goes North

Almost two million acres of land have been taken up by Imperial Oil from Township 109 to the top limits of Alberta in a move which boosts this major company's total oil holdings to between eight and nine million acres.

The latest acquisition covers a distance of over 100 miles north and south from the northern limits of Imperial holdings to the Northwest Territories. Previously the limits of Imperial holdings were about 180 miles north of the Normandville discovery.

It is expected that the new holdings will be the subject of geological and geophysical survey work. Much of the geophysical work may have to be done in the wintertime due to the nature of the country.

* * *

Output Lower

While summer is usually a time for marketing of larger quantities of oil, production quotas had to be cut back recently and Imperial Oil is currently only accepting 65 bbl. of oil daily from even lush wells in the Redwater area.

Reflecting filling up of storage and cutting back of current market quotas, Alberta oil wells turned out only 65,636 bbl. daily in the week ended April 3 against 75,601 bbl. a week earlier. The following week will probably show a further reduction. But prospects appear bright that when summer farming operations get under way, more Alberta oil will be used than at any time in history.

In the latest week reported, Leduc-Woodbend was the heaviest producer turning out 31,152 bbl. of oil daily against 19,510 bbl. daily for Redwater.

* * *

Farmouts "Click"

Of Imperial's 56 farmouts to date, 14 have brought oil production, two more have indicated oil, four have brought natural gas discoveries, 34 have been complete failures, and three are not yet evaluated. A total of 77 wells are located on the farmouts, including 28 oil wells, four gas wells, three indicated oil wells, 36 dry holes and seven drilling wells.

Imperial's exploratory farmouts total 34. Oil discoveries resulting include Joseph Lake, Campbell, Volmer, and two near Barrhead. Gas discoveries resulting include Cardiff, Calahoo, Manowan Lake and Picardville. Dry wildcat farmouts number 24. One farmout is still to be evaluated. On exploratory farmouts, there are now eight oil wells, three indicated oil wells, four gas wells, 25 dry holes and one driller.

At Leduc-Woodbend Imperial has made 18 farmouts, of which nine have yielded oil, several were dry, and two are being evaluated. Wells to date include 18 oil wells, eight dry holes and six drillers.

At Redwater Imperial has made two farmouts so far. One well has been drilled on each, and both are oil wells. At Whitemud Imperial has also made two farmouts, with one well on each drilled, and washed out as a failure.

W. R. CORNER

has been appointed comptroller, Manitoba Power Commission.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies published reports are footnoted.

HOME OIL CO. showed an increase of over 50% in net profits in 1949 with earnings of $1,513,052 or 77 cents a share (51.7 cents a share in 1948.)

Second largest producer of crude oil in Canada, Home had a net production of 1,807,218 bbl. of oil in 1949 and gross production income showed a rise of $1,371,571 to $5,908,759.

Net production was derived as follows:

	bbl.
Turner Valley	813,070
Leduc	713,182
Redwater	255,782
Woodbend	25,184

Well interests held comprise: Turner Valley, 34 wells and interest in 12 others, for daily output of 2,450 bbl.; Leduc, 23 wells and interest in eight others, for output of more than 2,000 bbl. daily; Woodbend, 27½% interest in joint program with 19 wells on production and four drillers; Redwater, a half interest in 12 producing wells.

Nearly 95% of expenditures to date in Turner Valley have been written off and total expenditures in Redwater are expected to be returned this year. Leduc income already exceeds expenditures by over $750,000.

Surplus cash and revenue from production are sufficient to carry out an aggressive program of exploration this year, President Jas. R. Lowery reports.

Plans are already made for an extensive development program.

INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Prod'n revenue	$5,908,759	$4,537,188
Add: Invest. inc.	18,795	18,460
Other income	40,921	104,193
Total net rev.	5,968,475	4,659,841
Less: Oper. exps.	978,755	947,240
Bank int.	5,227	5,442
Depreciation	336,421	203,448
Depletion	321,952	701,905
Devel. w/o	2,570,068	1,400,000
Taxes	243,000	491,750
Net profit	1,513,052	910,056
Less: Dividends	980,000	880,000
Surplus for year	533,052	30,056
Earned per Share	$0.771	$0.517
Paid	0.50	0.50

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$617,907	$63,823
Accts., etc., rec.	1,023,932	1,139,081
Mater. & supplies	239,700	543,951
Total curr. assets	1,881,539	1,746,855
Def. & pref. chgs.	44,199	32,526
Invests.	152,289	65,095
Invest. in subsid.	564,000	564,000
Land, leases, oil reserves, surf. rts., wells & dev. at cost less w/o‡	2,109,875	2,268,182
Bldgs. & equip.•	1,115,430	962,131
Total assets	5,867,332	5,638,780
Bank loan	......	1,365,000
Accts., etc., pay.	340,882	833,420
Taxes pay.	......	246,971
Total curr. liab.	340,882	2,445,391
Capital stock	4,514,820	2,714,820
Surplus	1,011,630	478,578
•After depr. of	1,306,913	1,068,104
‡After w/o of	12,166,207	9,195,842
Working capital	1,540,657	†698,536

†Excess of curr. liabs. over curr. asets.

NORMETAL MINING CORP. realized a 23% increase in tonnage of ore milled in 1949 but profit was lower at $1,362,498 or 36.3 cents a share (41.4 cents in 1948) due to lower metal prices.

After paying 40 cents a share in dividends, working capital rose about $20,000 to $3,920,660 or slightly in excess of $1 a share.

No. 4 internal shaft was completed from 3,240 to 4,160 ft. and at the end of the year was within three weeks of completion.

Ore reserves declined by 173,100 tons to 1,452,800 tons after milling 292,235 tons in 1949, most of the new ore being attributable to added widths of ore developed in many stopes opened.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1949	1948
Production*	$5,407,429	$4,104,195
Less: Oper. exps.	3,438,300	1,881,721
Net oper. profit	1,969,129	2,222,474
Add: Interest	48,122	20,684
Less: Deprec.	179,448	197,168
Dom. & prov. tax.	475,305	488,894
Net profit	1,362,498	1,557,098
Less: Divd.	1,502,804	976,823
Surplus for year	▪140,306	580,275

▪Deficit.
*After deducting marketing expense.

	1949	1948
Earned per Share	$0.363	$0.414
Paid	0.40	0.26

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash & Dom. bds.	$1,508,674	$2,768,190
Accounts rec.	50,050	11,280
Guar. invest. cert.	500,000	......
Concentrates sold	1,728,974	1,239,736
Stores & prep. exp.	613,458	393,890
Total curr. assets	4,401,156	4,413,096
Mining properties	81,973	80,339
Plant & equip.*	345,961	467,489
Total assets	4,829,090	4,960,924
Total curr. liabs.	480,496	513,948
Capital stock	2,297,962	2,297,962
Surplus	2,050,632	2,149,019
*After depr. of	1,816,430	1,721,110
Working capital	3,920,660	3,899,158

OPERATING STATISTICS

	1949	1948
Tons milled	292,235	236,844
Ore reserves, tons	1,452,800	1,625,900
Grade: Copper, %	3.53	3.51
Zinc, %	7.71	7.67

CONSOLIDATED MINING & SMELTING CO. experienced a decline in earnings to $12.69 a share in 1949 ($16.70 in 1948). This reflected lower selling prices for lead and zinc; lower deliveries of metals; higher labor costs. Earnings from lead and zinc were reduced relatively to sales, due to increase in relative quantities of these metals attributable to custom ores, President R. E. Stavert points out.

Tonnage of ore mined at Sullivan at 2,297,672 tons was 14,000 tons higher than the previous year but grade was lower due to pillar recovery and resulting dilution, and mining of lower-grade ore to maximize metals' recovery.

Benefits from the new sink-float plant and haulageway are reported proving most valuable; metallurgical results have exceeded expectations. Not only is more economical crushing and haulage secured but an increased ore output per operating day is attained, enabling treatment of lower grade ore and a five-day week.

Seven larger items of capital expenditures involved an outlay of approximately $5.5 millions. Included were the Sullivan low-level haulage and sink-float plant $1,163,077, Kootenay power plants $1,262,555 and smelter revision $961,112.

Working capital showed an increase of almost $8 millions to $77,391,527.

INCOME ACCOUNT

Years Ended Dec. 31:	1949 $	1948 $
Gross sales	120,785,868	129,710,120
Net earnings	61,627,554	79,446,712
Less: *Deprec.	4,091,854	4,090,584
Depletion	247,667	243,034
Taxes	15,700,000	20,400,000
Net profit	41,588,033	54,713,094
Less: Com. divds.	31,121,502	36,035,160
Surplus for year	10,466,531	18,677,934
Earnings per Share and Dividend Record:		
Common	$12.69	$16.70
Paid	3.00 + 6.50	3.00 + 8.00

OPERATING STATISTICS

	1949	1948
Tons milled	2,297,672	2,283,625
Output: Lead, tons	146,176	160,107
Zinc, tons	157,204	146,378
Gold, oz.	56,229	48,389
Silver, oz.	8,325,300	6,344,701
Fertilizers, tons	563,042	547,586

CONDENSED BALANCE SHEET

As at Dec. 31:	1949	1948
Cash	$16,928,400	$24,873,716
Bonds & treas. bills†	56,928,343	47,539,844
Accts. rec.	10,347,640	18,069,215
Inventories	21,401,479	16,769,063
Total curr. assets	105,605,862	107,251,838
Prepaid chgs.‡	591,373	190,171
Inv. in subsid.	7,913,297	8,569,580
Other invest.	465,384	465,334
Misc. assets	582,881	761,626
Fixed assets*	33,699,467	29,600,812
Total assets	148,858,264	146,839,411
Accts., & tax. pay.	13,119,159	17,888,981
Divds. payable	14,757,859	19,667,858
Other curr. liab.	337,312	249,585
Total curr. liab.	28,214,335	37,806,424
Def. credit	822,551	878,024
Insur. reserve	3,860,654	3,861,611
Prem. shs. issued	7,585,245	7,585,245
Capital stock	16,381,645	16,381,645
Approp. surplus	39,000,000	39,000,000
Earned surplus	52,993,834	41,326,462
*After depr. & depl.	36,899,755	34,416,151
†Mkt. value	56,841,343	47,464,459

‡Prepaid charges shown in current assets in co's statement.

	1949	1948
Working capital	77,391,527	69,445,414

VILLAGE OF WARWICK, Que., school commission has sold $65,000 2¾% bonds due April 1, 1951-54, $46,500 3% due 1955-65 and $28,500 3½% due 1966-70 to Rene T. Leclerc Inc. Price was 98.47 for net cost to commission of 3.396%. Grant of $57,000 from Provincial Secretary is earmarked for servicing loan. No other long term debt; population, 1,987.

MINING INVESTMENTS

Smelters' Head Gives Hint New Mines May Be On Way

A strong indication is given by President R. E. Stavert, in the 1949 annual report of Consolidated Mining & Smelting Co., that new mines are expected to be placed in production.

Discussing an item of $11 millions shown in the balance sheet as provided for future capital expenditures, Mr. Stavert declared: "There will be need for additional expenditures as a result of the satisfactory development of new mines . . ."

Underground work has been proceeding at the Bluebell and Tulsequah Chief mines in B. C. and the Bluebell is apparently now close to a production decision. "The ore reserve estimates at the Bluebell were confirmed and enlarged. Plans for production are under consideration," Mr. Stavert states.

Other properties on which underground development has been started comprise the H. B. mine near Salmo, B.C. and the Big Bull near the Tusequah Chief in the Coast area of Northern British Columbia.

* * *

Pine Point Position

Diamond drilling on the Pine Point lead-zinc concession "established certain geological conditions and indicated ore possibilities over a large area" but drill holes were widely spaced and no ore can be estimated at this time, Mr. Stavert points out. A second concession was acquired to the east of that obtained in 1948.

Expansion possibilities are seen possible at the Con-Rycon operation in the Yellowknife where 1949 results were satisfactory with 111,399 tons of ore treated averaging 0.55 oz. gold. Development in the main Con shear more than replaced ore extracted and in the Campbell shear diamond drilling on and below the 2,300-ft. level indicated a large ore body extending from the Con into Rycon ground. While grade of the Campbell body is marginal at present rate of production, the management states that it may be of sufficient size to justify an increase in mill capacity.

* * *

Investigate Stockpile

How is America building up its strategic material fences for a possible new world war?

Hearings are expected to be started in Washington about the third week in April on the "policies and performance of the (U. S.) Munitions Board with respect to our stockpiling program," advices from the U. S. capital state.

There has been considerable criticism in the U. S. capital that a larger proportion of stockpile material has not been purchased within the United States. Less than a third is stated to have been purchased at home. Part of the Munitions Board hearings will be in camera. But the Munitions Board will probably again point out that all needed strategic materials could not be purchased within the United States no matter what wishes in that regard might be.

BOWES CO. has declared a special dividend of $2 per share on the Class B stock, payable along with the regular quarterly dividend of 50c per share, on May 15, 1950, to shareholders of record May 1.

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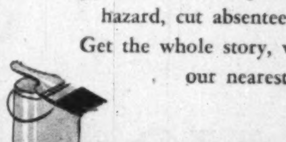

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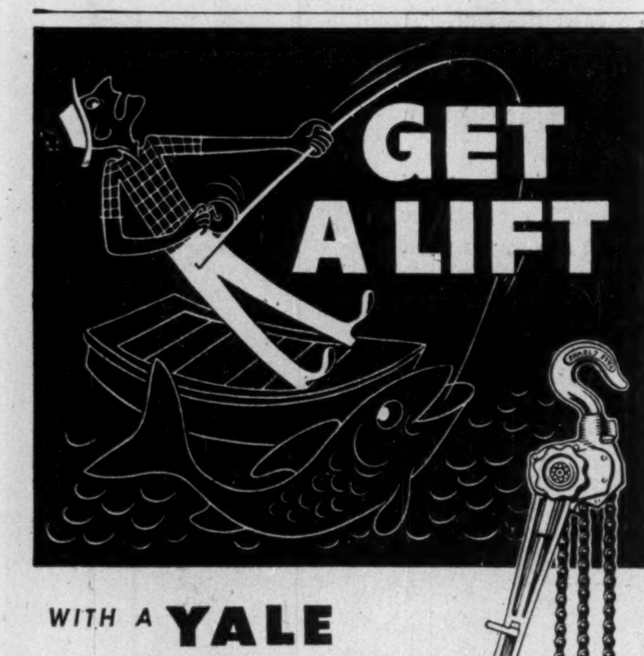
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Your nearest Fairbanks-Morse office will gladly demonstrate the practical advantages of YALE lifts and hoists. F-M experience will save you time and money and help you plan your factory or workshop problems in an economical and efficient way.

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The YELLOW-BELLIED SAPSUCKER is a very handsome woodpecker. His black, white, red and yellow colors in their distinctive pattern are unmistakable. Despite his name he does not live only on sap, but eats fruit and ants as well. He should always be protected.

YOURS TO ENJOY
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WATERLOO, ONTARIO
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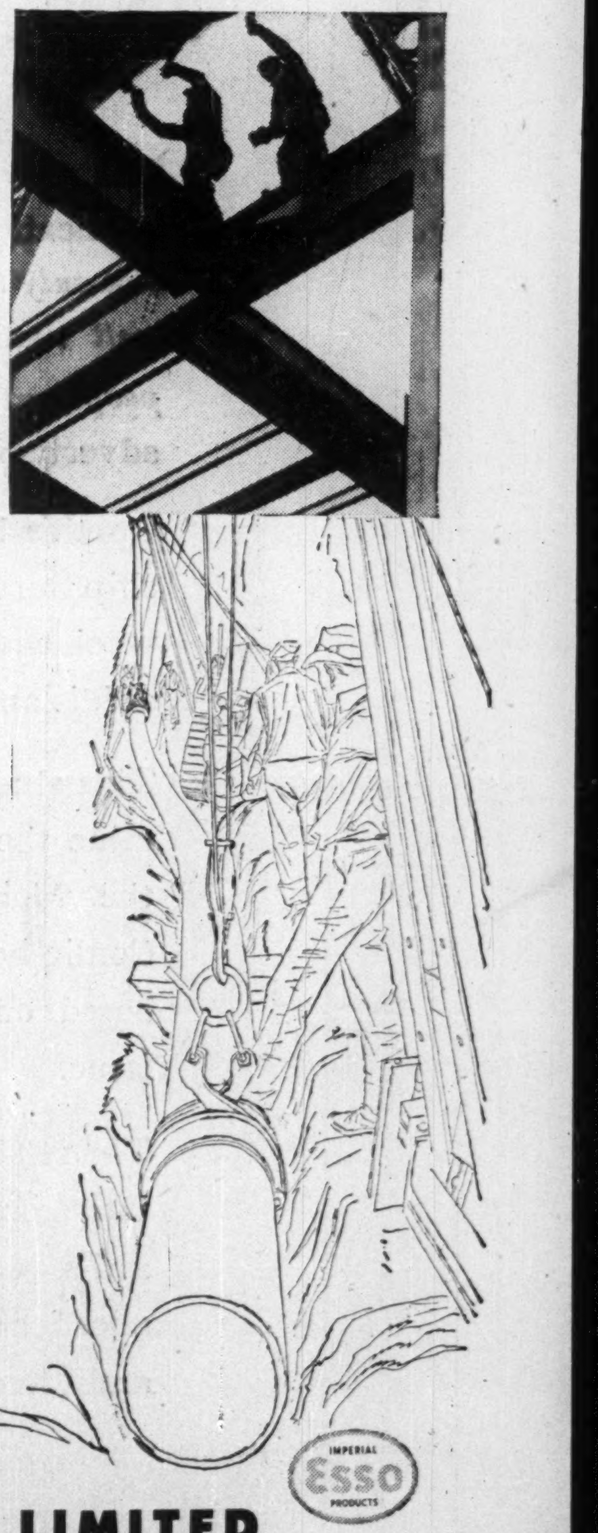
Oil makes a country strong



Try to imagine life without oil! Oil supplies one-quarter of all the heat and power we use . . . in home and factory, on farm and highway. It helps us live better.

For years Canadians have had to depend on foreign countries for almost all the oil they used. Now, after a long and costly search, big new fields have been found in Alberta.

The more oil we produce right here in Canada the stronger we will be. Already the new discoveries have made thousands of new jobs. Millions of U.S. dollars once needed for imported oil are now being saved by the new oil fields, and the prairie consumers are saving money too.

In order that Canadians may reap further benefits, Alberta oil must reach new markets. It must be moved to eastern Canada—2,000 miles away—where it must compete with oil from other areas. That means holding transport costs down to a minimum.

To bring Alberta oil east a tube of steel will span one-third of the continent—from Edmonton to Lake Superior. It is taking shape now. To carry the oil on to Ontario refineries, the largest inland tankers ever built are being constructed in Canadian yards.

There's a big job still to be done before the full benefits of the new oil discoveries reach all Canadians. But the job is being carried on with increasing benefit to all of us. Oil is strengthening the nation.

Bringing you oil is a big job . . . and a costly one

About Canada's Oil—Last year Canadians used an average of 300 gallons of oil each. This is more, per capita, than any nation except the United States.

By replacing imports, Canadian oil production is expected to save 100 million scarce U.S. dollars in 1950; next year, $145 millions.

Imperial is building a new refinery at Winnipeg at a cost of $10 millions to process Alberta Oil.

The 1,150-mile pipe line from Edmonton to Lake Superior is being built by Interprovincial Pipe Line Co., which was sponsored by Imperial and in which Imperial holds a minority interest.

IMPERIAL OIL LIMITED
IMPERIAL ESSO PRODUCTS

An Eye-Opener in Readership

The proof of the value of any publication is in the reading of it. *Not only how well bought, but how well read and by what kind of people*—that is the criterion of advertising value.

On this basis, the latest Readership Survey of Canada's national week-end newspaper, The Standard, is an eye-opener!

This study was planned to determine the readership of items in the Magazine, Photonews and Comic Sections of The Standard, based on the January 21, 1950, issue.

The study consisted of a representative cross section of The Standard's readers interviewed and questioned in 23 different cities and towns across Canada.

WHAT KIND OF PEOPLE READ THE STANDARD?

The following vital questions are answered in detail in The Standard's new Readership Survey:

How young, how old, are readers of The Standard?

What proportion of readers are under 30, between 30 and 50, and over 50? Survey gives the answer.

What is the buying power of The Standard readers?

What proportion of readers are in the following income groups? High Income, Upper and Lower Middle Income, and Low Income. Facts are revealed in survey.

What do they do for a living?

What percentage of readers of The Standard are professional workers, business owners, executives, sales people, office and white-collar workers? What proportion are skilled and unskilled labor, housewives, retired, armed forces and students? You need this valuable information.

HOW *WELL* DO THESE PEOPLE READ THE STANDARD?

Interviewed readers across Canada were taken through the issue, page by page, and asked whether they could recall having read the editorial items, stories, pictures and captions shown on each page. Results are reported by labelling each item page by page, in terms of readership percentages, classified as follows: (a) combined men and women; (b) men only; (c) women only.

These percentages have set up a new readership record for The Standard! They establish the impressive power of The Standard's ability to attract and hold intensive class and mass readership interest right across Canada.

You'll find the answer to these all-important questions in The Standard's new Readership Survey. Watch out for your copy — or consult your advertising agency.

Copies of this survey are being mailed to advertisers and agencies within a few days. We keep our mailing list as up-to-date as possible, but we may have missed you. You can be absolutely sure of getting your copy by writing the Promotion Department, The Standard, 231 St. James St. West, Montreal, Que.

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The Standard